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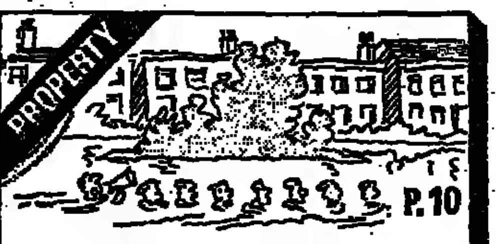
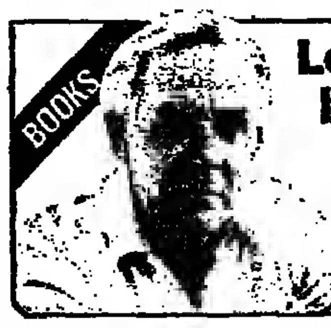
AVIA Quartz Clocks

SAVINGS + INVESTMENTS: Specialist funds: The risk factor P.7


PROPERTY: In Boat Race territory P.10

FEATURES: POLITICS TODAY P.16 The fallout from Darlington; P.17 NEW ISSUES The problem of taming the stags


ARTS: Luke Rittner on the sponsorship boom P.14


BOOKS: Le Carré breaks new ground P.12

NEWS SUMMARY

GENERAL

Ruling on prisoners' mail raps Britain

Censoring of prisoners' mail by British jails is a violation of human rights, the European Court of Human Rights ruled in Strasbourg yesterday.

Some of the letters stopped or delayed contained complaints about jail treatment, threats of violence and discussions of legal proceedings.

Britain did not contest the issue because it had already modified the regulations concerned. The court did not consider the new rules, but the judgment effectively establishes a right to freedom of correspondence.

Ceasefire call

Former IRA chief of staff Sean MacStiofan called for a ceasefire by the Provisionals and INLA in Ulster, and less British military activity.

Fatal train crash

A train driver died in a crash between two trains on the Belfast-Lisburn, Co Antrim, line, Northern Ireland.

Job for Schmidt

Former West German Chancellor Helmut Schmidt will become co-editor of the political weekly Die Zeit on May 1.

Chileans protest

Chilean security police used water cannon to disperse hundreds of anti-government protestors in Santiago.

Publisher held

Argentina's government arrested publisher Jorge Fontevecchia and accused Britain of mounting a "destabilisation" campaign.

Attackers jailed

Derek Davy and Raymond Brooks, both 18, of Bristol, were jailed for six and three years for a gang attack which left a community policeman with brain damage.

Briton arrested

Pakistan narcotics officers said they arrested Briton Richard Baker and seized 30 kilos of hashish en route to Europe.

21p a pinta

The cost of a pint of milk will stay at 21p all summer, instead of being reduced as usual at this time, said Agriculture Minister Peter Walker.

Robot metro

The world's first automatic underground train system with neither drivers nor crews will go into service in Lille, France, next month.

Summer Time

Summer Time begins at 1 am tomorrow, when clocks should be put forward one hour.

Somali cleanup

Somali President Mohamed Siad Barre banned the popular drug qat, blaming it for nepotism, tribalism, black marketeering, embezzlement, inflation and divorce.

Briefly . . .

TV-am audience was 400,000—down 100,000—last week.

Swaziland will hold a general election in October.

Earthquake, 5 on the Richter scale, hit Iran.

BUSINESS

U.S. lifts growth forecast to 4.7%

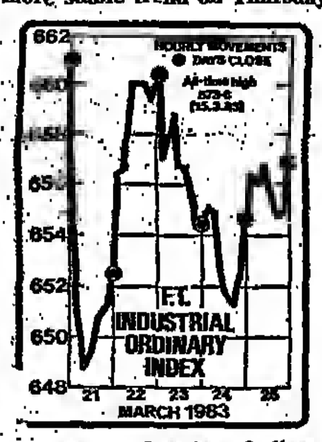
● U.S. administration raised its official forecast for economic growth from 3.1 per cent to 4.7 per cent to end 1983.

The announcement was made by Mr Martin Feldstein, chairman of the Council of Economic Advisers. It follows a bitter struggle between Mr Feldstein and President Reagan's other advisers, who wanted a forecast ranging np to 6.5 per cent. Back Page

● STERLING dipped 30 points to $1.4605. It also fell to DM3.53 (DM3.5425), FFr 10.58 (FFr 10.605), SwFr 3.0175 (SwFr 3.03) and to Y346.5 (Y347). Its trade-weighted index was unchanged at 78.1. Page 21

● DOLLAR eased to DM 2.416 (DM 2.42), FFr 7.245 (FFr 7.25), and to SwFr 2.065 (SwFr 2.07), but was unchanged at Y237. Its trade-weighted index was 122.1 (122). Page 21

● EQUITIES finished the week quietly steady on the pound's more stable trend on Thursday.



The FT Industrial Ordinary index closed up 2.1 at 656.9 after drifting back slightly in the afternoon. Page 24

● GILTS maintained Thursday's harder tone with longs closing around ½ higher and shorts upt o ⅛. Page 24

● GOLD fell $2 to $413 in London. In New York the March Comex settlement was $414 ($410). Page 21

● WALL STREET was down 8.23 near the close at 1,137.67. Page 20

● EXXON must repay $895.5m (£613m) after e judge ruled it had overpriced crude oil from a Texas field. Back Page

● THE FINANCE BILL, which implements the Budget proposals, will be published on March 30.

● RICHARD SHOPS executives plan a management buy-out if the Hanson Trust bid for UDS, Richard Shops' parent, succeeds. Back Page

● HARRIS QUEENSWAY, furniture group, reported taxable profits for 1982 up 56 per cent at £16.3m. Page 18; Lex.

● GLAXO, UK pharmaceuticals company, established a joint venture with Sankyo, Japanese drug group, to spearhead sales in Japan. Back Page

● PLEASURAMA and Trident Television, UK casino groups, began talks which may lead to a bid for Trident. Back Page

● DRESDNER BANK of West Germany reported unchanged income in spite of record operating earnings for 1982. Page 23

France unveils austerity measures

BY DAVID MARSH AND DAVID HOUSEGO IN PARIS

THE FRENCH Government yesterday unveiled a wide ranging package of eusterity measures, aimed at reducing domestic demand by FFr 65bn (£6.14bn) this year. It includes increases in taxes and public sector charges and public spending cuts.

These moves, and others such as a compulsory savings scheme, severe new restrictions on spending abroad by French tourists and a tightening of exchange control loopholes, will combine to cut French living standards this year.

Such a step was previously regarded as unthinkable by M Francois Mitterrand's administration.

The most important measures are:

● A cut in this year's budget deficit, originally put at FFr 118bn, by about FFr 20bn through a combination of spending cuts and new taxes—notably an increase in petrol duty next month.

● A reduction in the deficits of public enterprises and local authorities of about FFr 11bn. Electricity, gas and telephone bills will go up by 8 per cent from April, one or two months earlier than originally planned. Rail fares will also rise by an average 8 per cent next month. Investments and stock-building in the public sector will be slowed down.

● To help balance the accounts of the social security system, a new levy of 1 per cent of taxable incomes will be introduced before July. Price rises on alcoholic drinks and tobacco—announced last September to finance social spending—will be brought in on April 1 and July 1, respectively. Strong drinks will go up by FFr 10 a litre, while cigarettes rise by 25 per cent.

● About FFr 20bn will be raised through Government measures to increase savings, including a FFr 14bn obligatory three-year loan to the Government to be subscribed by nearly all taxpayers in May. The subscription—on which interest will be paid—will amount to an eddítional 10 per cent on individual tax bills for last year.

● Restrictions on foreign holiday spending are to be tightened drastically. Tourist spending in foreign currencies will be limited to only FFr 2,000 per adult per year and FFr 1,000 per child. There will be special allowances for business travel for export purposes.

● Loopholes in the foreign exchange regulations are to be closed. Purchases of foreign currencies for buying goods for resale abroad in future will have to be made closer to the time of sale. General restrictions on forward purchase of currencies will be extended to the commodity trade.

The toughness of the measures carries the personal imprint of M Delors, who emerged from this week's government reshuffle promoted in the government team and with his powers widened.

The package has been put together in the wake of Monday's devaluation of the franc in the European Monetary System and the shift to the political centre in this week's Government reshuffle. It is designed to cut the country's trade deficit by roughly half this year to about FFr 45bn, and to bring it to balance within two years, without recourse to protectionist trade measures.

Emphasising the scale of the Government's retreat from earlier expansionary policies, the belt-tightening will severely cut economic growth. Gross national product is expected to rise by 0.5 per cent at most this year, compared with the 2 per cent forecast earlier.

Both industry and the financial community thought the measures wero more severe than expected. The Patronat employers federation said they would depress the economy, and called for measures to help companies.

There was some concern that one immediate effect of the tax and tariff increases will be a slight increase in inflation in the summer.

Although the Government has cut this year's money supply growth target by 1 percentage point to 9 per cent, it has brought in no fresh measures to tighten interest rates.

Continued on Back Page

Alliance leaders try to head off row over election defeat

BY PETER RIDDELL, POLITICAL EDITOR

SOCIAL DEMOCRAT and Liberal leaders yesterday attempted to prevent open rows breaking out within their alliance after the SDP's poor third place in the Darlington by-election.

Labour leaders, meanwhile, argued that Mr Ossie O'Brien's victory with an increased majority marked a turning point in the party's electoral fortunes.

The Conservatives were clearly relieved that Mr Michael Fallon had achieved a good second place after a strong late surge.

The result leaves open the Prime Minister's options of election timing and no decision will be taken until after the local council elections on May 5 and the Cardiff North-West by-election, probably on the same date.

The outcome is a blow for the Alliance after the Liberal landslide win at Bermondsey, South London, a month ago. Mr Tony Cook of the SDP was the early odds-on favourite in Darlington.

Mr Roy Jenkins, SDP leader, yesterday, claimed the result showed British politics to be in a highly volatile state with no one by-election giving a full picture.

Mr David Steel, the Liberal leader, told his party's Scottish conference in Aberdeen that the lessons must be learned together and "not in any spirit of rivalry between the two parties."

There were, however, mutterings from some long-standing Liberal critics of the Alliance about the SDP's efforts in Darlington. Mrs Shirley Williams of the SDP admitted that there was not a "sufficiently attacking campaign."

Mr Jenkins and Mr Steel will face a challenge from some Liberal MPs at a joint meeting next Wednesday of the two parties' MPs. Mr David Alton, the Liberal MP for Liverpool Edgehill, and Mr David Penhaligan, the member for Truro, will seek to stop the two leaders' proposal for naming a "Prime Minister-designate" before the General Election.

Mr Alton, who has been involved in fierce rows with the SDP at Liverpool, will argue that a joint leadership should continue until after the election when the decision should be taken by newly-elected Alliance MPs; the Liberals expect to be in a majority then.

Some SDP members are urging that Mr Jenkins should be named shortly as PM-designate.

The SDP faces the further problem that Mr Nick Jenkins, its recently-selected candidate for the Cardiff by-election, is quitting, officially for medical reasons, and the party will quickly have to select a successor.

At Darlington the Labour majority increased from 1,052 at the 1979 election to 2,412. Labour took 39.5 per cent of the vote, compared with 34.8 per cent for the Tories and 24.5 per cent for the Alliance.

Personality the key to victory, Page 3; Politics Today, Page 17

Britoil profits exceed forecast by 23%

BY RAY DAFTER, ENERGY EDITOR

BRITOIL, the former exploration and production arm of state-owned British National Oil Corporation made a pre-tax profit of £257m in the five months to the end of December, 23 per cent more than it forecast in its privatisation prospects last summer.

The surprise result, announced yesterday, arose because of higher-than-expected oil production levels and a higher sterling value for sales, Britoil said.

The results were the first to be reported by the formerly state-owned company since it was floated off from BNOC in November. Britoil began operating separately from the BNOC trading operation on August 1.

Britoil's partly-paid shares rose 3p to 58p on the announcement of the results. Under the Government's flotation arrangements the second instalment of £1.15 a share is due to be paid by stockholders on April 6.

During the past five months of 1982, Britoil had a turnover of £483m and a net profit of £42m. This was after a £7m provision for unrealised currency losses on U.S. dollar borrowings

On the other hand, the pound's fall against the dollar in the latter months of last year helped to boost sterling income on Britoil's production, averaging 147,000 barrels a day. Britoil previously forecast production nearer 145,000 b/d.

Britoil reported a proforma pre-tax profit of £412m for 1982. This was calculated on the basis of exploration and production activities and excluded BNOC's oil trading interests. Turnover from oil and gas production totalled £1.1bn last year.

Even on this adjusted basis profitability of BNOC as a whole, including Britoil, was al record levels. In 1981, also a record year, BNOC's pre-tax profit from trading and production amounted to £438m.

Britoil tops profit forecast, Page 18; Lex, Back Page; BNOC faces legal challenge, Page 4

£ in New York

	Mar 24	Previous
Spot	$1.4580-4595	$1.4625-4640
1 month	0.17-0.14 dis	0.16-0.15 dis
3 months	0.46-0.42 dis	0.41-0.37 dis
12 months	0.98-0.83 dis	0.82-0.72 dis

Hong Kong to test UK road traffic control idea

By Robert Cottrell in Hong Kong and Hazel Duffy in London

The Hong Kong Government plans to test an innovative scheme for charging vehicles for using its roads by means of an electronic sensor developed by Britain's Department of Transport. The scheme is aimed at reducing traffic congestion and its use could have widespread implications for cities around the world.

The Hong Kong scheme will use buried electronic sensors to read electronic number plates fitted to cars passing over busy stretches of road. Vehicles are identified by the sensor, which passes the information to a central computer. The computer may then bill the motorist for using each segment of road.

The electronic number plates wil be fitted to 5,000 government and public service vehicles, and 30 road sensors will be installed during a pilot project.

Mr Alan Scott, Hong Kong's Transport Secretary, said yesterday that the 21-month pilot scheme would cost HK$35m (£3.55m). It is expected that the scheme will be carried out by a consortium of British consultants and manufacturers, but the final contract has not yet been signed, it is believed.

The consortium would be co-ordinated by Transpotech, a company set up recently by the British Technology Group to exploit commercially the expertise and products developed by the Department of Transport. Names of the manufacturers have not been disclosed pending signing of the contract, but it seems likely that Ferranti, Plessey or GEC may be involved.

The decision on whether to proceed with a full scheme covering the urban areas of Hong Kong island and Kowloon will be taken in mid-1985. The full system would take two years to complete, and cost an estimated HK$300m to HK$350m (£30m-£35m) at current prices.

Mr Scott said yesterday that the Government's pre-intention is that the system would charge only private vehicles, since these are the

Continued on Back Page

Fraser board studies Harrods sell-off plan

BY JOHN MOORE, CITY CORRESPONDENT

THE BOARD of House of Fraser, which includes two reprsentatives of Lonrho, is to meet next Thursday to consider the feasibility of floating off its major department store, Harrods of Knightsbridge.

The issue is at the centre of a row between Lonrho, which holds 29.99 per cent of Fraser's shares, and Fraser directors led by Prof Roland Smith.

At next week's meeting the board, which is under pressure from Lonrho to go ahead with demerger plans for Harrods, will consider a report of about 360 pages, prepared internally, which lays out the financial implications of such a move.

Copies of the report, which is in two sections, one 2 in thick and a second comprising financial forecasts, went to all House of Fraser directors yesterday, including the two Lonrho representatives.

In an unusual move the National Association of Pension Funds published a report prepared on behalf of a special "case committee" of representatives of pension funds which hold shares in House of Fraser.

The committee, chaired by Mr Hugh Jenkins of the National Coal Board Pension Fund, commissioned its own £50,000 report from Coopers and Lybrand, the accountants and management consultants.

The pension funds, which between them hold about 20 per cent of House of Fraser's equity, said they felt that it should be demonstrated beyond doubt that in arriving at its recommendation the board of Fraser was seen to have had available to it complete information presented in a "totally objective manner."

Coopers and Lybrand was asked by the pension funds to ensure that Fraser's internal report considered all relevant issues objectively.

But in its own report Coopers and Lybrand says that it had to "draw the attention of the working party" at Fraser to various shortcomings in the original drafts as presented."

Meetings were taking place until last week between Coopers & Lybrand and House of Fraser in an effort to meet the accounting firm's criticism and to provide more information.

Coopers & Lybrand concluded that all relevant issues in Fraser's internal report have been dealt with "fully and fairly."

At yesterday's annual general meeting of Lonrho Mr Edward du Cann, the company's deputy chairman and a Conservative MP told shareholders that the logic of the proposal for the separation of Harrods from the House of Fraser, "is irrefutable.

Lonrho AGM Page 18
Lex Back Page

Yugoslavia financing deal agreed

By Alan Friedman, Banking Correspondent

AGREEMENT was reached in London last night on a $4bn (£2.7bn) Yugoslav debt rescheduling and loan package from Western commercial banks. The commercial bank deal, which involves $600m of new loans, completes a multi-billion dollar financial package being put together by governments, the International Monetary Fund, World Bank and the Bank for International Settlements in Basle.

The agreement was reached after two days of talks at London's Churchill Hotel. It became possible after a compromise was reached on the key issue of whether the Federal Republic would borrow in its own name or through the National Bank of Yugoslavia.

It was decided thet the borrowing would be through the National Bank and all Yugoslav commercial banks, and guaranteed by the republic—a concession by the Yugoslavs.

The rescheduling covers $1.4bn of medium-term debt which falls due this year, and a further re-scheduling of $1.8bn to $2bn of short-term debt which matures this year.

The medium-term rescheduling and fresh loans will carry an interest margin of 1⅞ per cent over the London interbank offered rate (Libor) or 1¾ per cent over the U.S. prime, and

Continued on Back Page

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES

Treasury 13% 2000 £116½		+ ⅜
Automated Security	474	+ 29
Bellair Cosmetics	29	+ 5
Bio-Isolates	265	+ 10
Black & Edgington	64	+ 8
Boustead	55	+ 6
Bridgewater Ests.	530	+ 35
Campari	61	+ 12
Cantors A	62	+ 7
Commercial Union	134	+ 7
Exco	733	+ 28
Glaxo	820	+ 80
Hurst (C.)	80	+ 20
Johnson Cleaners	345	+ 18
Manganese Bronze	33	+ 5
Martin The Newsagent	178	+ 15
Owen Owen	190	+ 14
Plessey	542	+ 7
Racal Electronics	434	+ 16
Rank Org.	148	+ 7
Reckitt & Colman	408	+ 13
Rediffusion	330	+ 10
Trident TV A	101	+ 4
Trusthouse Forte	177	+ 6
Surmah Valley	150	+ 27
De Beers Defd.	502	+ 7

FALLS

Eucalyptus Pulp	230	− 15
Hawker Siddeley	380	− 8
Lucas Inds.	164	− 6
Manson Finance	30	− 3
Pleasurama	545	− 15
Elandsrand	657	− 44
F. S. Geduld	£26	− 1½
Hartebeest	£46¼	− 1¼
Rustenburg Platinum	425	− 10
Unisel	856	− 65

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W. German defence experts uneasy over laser arms plan

BY JAMES BUCHAN IN BONN

DEFENCE specialists in West Germany, always sensitive to suggestions of change in U.S. strategy, have responded with considerable unease to President Reagan's vision of developing new technologies to provide defence against nuclear missile attack.

Herr Manfred Woerner, the Defence Minister, and even Herr Egon Bahr, the defence expert of the opposition Social Democrat Party, applauded Mr Reagan's emphasis on defensive rather than retaliatory strategy in his description on television on Wednesday of an immense anti-ballistic missile (ABM) system of the future using such fledgling technologies as lasers, microwaves or particle beams directed, even from orbit.

Yet there were anxious remarks elsewhere in Bonn that Mr Reagan's proposal might imply a whole new area of arms competition, violating the 1972 U.S.-Soviet treaty, limiting ABM systems and forcing the Soviet Union, which is certainly weaker in these technologies, to react first.

In the looking-glass world of arms control, it is argued now as in 1972 that the erection of an impenetrable anti-missile shield actually frees its possessor to launch an attack.

The overwhelming West German pre-occupation is with a U.S.-Soviet agreement on missiles in the European theatre. Bonn is desperately hoping that the U.S. President, perhaps in his TV address promised for March 31, will formally abandon his "unrealistic" insistence that the Soviet Union dismantle its entire intermediate-range missile force and offer agreement instead on reduced forces on each side.

It was scarcely encouraging that, instead of concentrating on political solutions, Mr Reagan opened up a dizzying future of new technological competition, especially as Herr Woerner admitted that he had not expected Wednesday night's speech.

Herr Woerner also pointed out that Mr Reagan's future strategy would have no effect on the need for deterrence over the next 10-15 years and that it "must not weaken our efforts to reach arms control agreements on all weapon sectors."

Security talks adjourned

BY DAVID WHITE IN MADRID

THE 35 countries taking part in the Conference on Security and Co-operation in Europe are to re-convene here on April 19 after governments have decided what stance to take on the latest compromise proposals. The talks were adjourned for Easter yesterday.

The draft document presented last week by neutral and non-aligned participants represents the only hope for breaking the stalemate at the Madrid talks, which have already dragged on for more than two years.

Mr Caspar Weinberger, U.S. Defence Secretary, met here yesterday with ambassadors of the 16 Nato countries, which have not formally reacted to the proposed document. Mr Weinberger, was concluding a three-day visit largely devoted to the question of Spain's future in the alliance.

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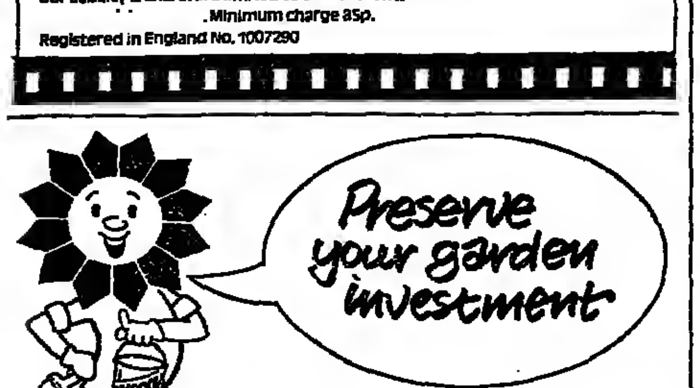


See page 17

Repayment from Costa Rican bank ordered

By William Hall in New York

Banco Nacional de Costa Rica, a government-owned bank, has been ordered to repay $13.7m (£9.39m) which it owes to seven international banks in a U.S. court case which has important implications for banks involved in international trade.

The seven banks involved are part of a 16-bank syndicate that lent $40m to Banco Nacional de Costa Rica in 1980 to finance exports of sugar and sugar products from Costa Rica.

When the one-year loan fell due, the Costa Rican bank was unable to make the repayment as the country's central bank had ruled in the interim that only debts due to international agencies were to be repaid.

The seven U.S. Latin American and European banks involved felt that the Costa Rican action violated an important principle of international trade finance and started proceedings to recover their money in the U.S. courts.

A U.S. federal district court in New York has now ruled that Costa Rican government decrees do not apply to loans which have been negotiated under U.S. law and has ordered Banco Nacional de Costa Rica to repay the loan.

The fact that some of the banks involved in the loan decided not to proceed through the U.S. courts indicates that there is some difference of view about the wisdom of acting against Costa Rica when it is trying to reschedule some $4bn of its debts.

Ershad to relax politics ban

Lt-Gen Hossain Mohammad Ershad, Bangladesh's ruler, yesterday promised to relax a ban on political activity from April 1 to prepare for a peaceful transfer of power to an elected civilian government, Reuter reports from Dhaka.

He said restrictions would be lifted on what he called "indoor politics"—holding meetings in party offices—to enable various groups to formulate their views on constitutional and national issues.

The announcement followed his pledge to hold a dialogue with his political opponents to determine Bangladesh's future.

More flee to Botswana

The flow of refugees from south-west Zimbabwe is increasing, Mr Daniel Kwelagobe, the Botswana Information Minister, told Parliament yesterday, AP reports from Gaborone. The refugees were fleeing Matabeleland, scene of fighting between Government soldiers and dissidents loyal to Joshua Nkomo.

Police have confirmed that at least 50 people have been arriving daily for the last two months or so. Independent sources say at least 100 arrive daily.

FT man in court

Mr Bernard Simon, a Financial Times correspondent, appeared again in the Johannesburg Magistrate's Court yesterday on a provisional charge of defeating the ends of justice, J. D. F. Jones reports from Johannesburg. The case was adjourned until April 15 so that the police could investigate further. Mr Simon is free on bail.

Holy Year starts

Holy Year began officially yesterday when Pope John Paul II struck the bronze door of St Peter's Basilica with a silver hammer, reports John Phillips from Rome. The Jubilee was announced unexpectedly late last year to commemorate the 1,950th anniversary of the death of Christ.

The Italian government estimates that 7m pilgrims might visit Rome before the Holy Year ends at Easter 1984.

W. German pay talks

Leaders of IG Metall, West Germany's biggest trade union, will meet chief representatives of the metal industry employers today to try to overcome a deadlock in pay talks, John Davies reports from Frankfurt. The union is hoping that the meeting can agree on a date and framework for resumption of negotiations in one region of the country. IG Metall has been pressing for a pay rise to match expected inflation this year. It had spoken of 6.5 per cent but has since lowered its sights. Employers have offered 3 per cent.

Burma reserves drop

Burma's foreign exchange reserves plunged from $211.5m (£144.9m) to $104m in the six months between March and September last year, according to an official report just released, Chit Tun reports from Rangoon. The reserves were used because export earnings and loan finance failed to cover the high cost of capital equipment, accessories and industrial raw materials.

Reagan wins key Congress votes

BY REGINALD DALE, U.S. EDITOR IN WASHINGTON

PRESIDENT Ronald Reagan yesterday welcomed two big Congressional agreements — on a $4.6bn (£3.15bn) jobs bill and $165bn scheme to save the ailing social security system—as evidence that the new bi-partisan approach he seeks is beginning to work.

Mr Reagan said that the agreement on social security had "lifted a dark cloud" from over the nation's pensioners. The money is to be raised during the rest of the decade through a combination of higher pay roll taxes, postponed cost of living adjustments and through subjecting some benefits to income tax for the first time. The retirement age is to be raised from 65 to 66 by 2009, and to 67 by 2027.

The jobs Bill, which Mr Reagan still insists is not a "make-work" programme, will provide funds for construction and repairs of roads and bridges, and will extend unemployment payments which expired in some states this week. Mr Reagan yesterday insisted at an impromptu news conference that it would hardly add anything to the budget deficit, because it mainly involved bringing forward funds that were due to be spent anyway.

Mr Reagan may be having some success with a bi-partisan approach in these areas, but not doing so well with his defence and foreign policies. Mr Reagan first issued his appeal for a new atmosphere of compromise in the state of the union message in January, after democratic gains in the House of Representatives in the November mid-term elections.

Congressional leaders predicted yesterday that the Senate which is led by Republicans, would vote for more than the 4 per cent increase in defence spending approved by the House on Wednesday, but that the figure would still be "markedly lower" than the 10 per cent in real terms for which Mr Reagan is asking. The Senate is not due to vote until after Easter.

The Democrats accused Mr Reagan of presenting a distorted and misleading account of the U.S.-Soviet imbalance of power in his speech on Wednesday night—when he called for studies of a big new anti-ballistic missile system based in outer space—in order to protect his "excessive" defence budget and "divert our attention from the dismal failure of his economic policies."

Mr Reagan has also been sent conflicting signals from Congress on El Salvador. He asked for $60m in emergency military aid for the U.S.-backed government there. The Senate Foreign Relations Committee approved only $30m, the day after a Senate Appropriations sub-committee had approved the full $60m, and another committee had delayed its decision until next month.

Rees calls for changes in U.S. trade rules

BY NANCY DUNNE

MR PETER REES, the British Trade Minister in meetings with U.S. officials yesterday, has urged "considerable modification" of the U.S. Export Administration Act, the body of regulations which governed U.S. attempts to slow the West Europe-Siberian gas pipeline project last year.

The act is due for renewal in Congress this summer, and Mr Rees and other European Governments have been pressing the U.S. Congress and the Reagan administration to amend the legislation in relation to powers allowing the imposition of export controls outside U.S. territory.

"We are concerned about the sovereignty aspects and we don't like the retroactivity," Mr Rees said at a Press conference in Washington yesterday. He said he found support on Capitol Hill for the British view opposing retroactivity.

MOSCOW—The 1980 U.S. embargo on grain sales to the Soviet Union has done long-term damage to the trade and sales this year are likely to be low, Alan Tracy, U.S. Under-Secretary for Agriculture, said.

Mr Tracy yesterday ended two days of talks with Soviet officials headed by Boris Gordeyev, Deputy Foreign Trade Minister, within the normal framework of the two countries' grain agreement.

Mr Tracy told reporters the Soviet Union had confirmed it had already bought the minimum 6m tonnes required by the existing agreement. A repeat of last year's additional 9m tonne purchase looked unlikely, he said.

Moscow has the right under the agreement to buy another 2m tonnes without U.S. Presidential approval, but the Americans had a good harvest and are willing to sell much more.

Mr Tracy said the embargo imposed by former President Jimmy Carter because of Soviet intervention in Afghanistan had contributed to a Soviet wariness of market reliability.
Reuter

The act allows for the imposition of controls on companies incorporated outside the U.S. with U.S. shareholders and on goods and technology held outside the U.S. on the strength of their U.S. origin.

Mr Rees said that in discussions with administration officials and on Capitol Hill he was "at pains to stress that the act is not in the interests of American businessmen."

He said the British Government would also oppose import bans which have been suggested for the new legislation "on companies may or may not have violated a presidential edict."

After meeting Mr William Brock, the U.S. trade representative about follow-up moves to the Gatt ministerial conference last year, Mr Rees said that the U.S. had no detailed proposals ready about changes in Gatt.

He said the U.S. and Britain seemed to have similar views on the need to find a formula to bring trade-in-services under Gatt, but that no formal proposals can be expected until special studies agreed to in the last ministerial are completed.

AP adds: U.S. officials are believed to be considering a ban on exports to the U.S. from countries or companies that ship strategic goods to Soviet Union.

Mr David Demarest, Mr Brock's spokesman, said he assumed the tougher sanctions were being considered in re-drafting the act.

EEC Commission angry at ruling on steel

BY LARRY KLINGER IN BRUSSELS

THE European Commission yesterday reacted with anger and dismay to the ruling on Thursday by the U.S. International Trade Commission (ITC), which could lead to tough curbs on EEC exports of specialist steels.

After the settlement last autumn of a protracted EEC-U.S. dispute, under which the Community agreed to limit its sales in the U.S. of mainline carbon steels, the Commission had expected that there would be no resumption in the steel sector of what it views as unwarranted U.S. protectionist moves, prompted solely by the recession.

The commission is particularly angered that the ruling, which declared that the U.S. industry was suffering "serious injury" from imports, was taken against products which attract little or no subsidy. Ninety thousand tonnes of annual EEC exports of special steels, worth more than $100m could be affected.

A spokesman said: "The European Commission maintains its view that the present situation of the U.S. steel industry is not a result of steel imports but, on the contrary, is due to the overall economic situation which led to a severe slump in global steel consumption."

Even the ITC had admitted this, the spokesman said, by stating that the recession could be seen as a main cause of depression in the U.S. industry — more so than imports.

AP-DJ adds from Washington: Legislation to create mandatory controls, so as to enforce U.S. limits on imports of steel pipe and tube from the EEC, has been introduced to the House of Representatives. Congressman Sam Hall said a "back-up system of mandatory controls" was needed on the U.S. side to ensure European compliance.

Asean matches European strategy for Mideast

BY JOHN WYLES IN BANGKOK

THE FIVE member countries of the Association of South East Asian Nations (Asean) joined the European Community for the first time yesterday in urging speedy progress towards a Middle East peace settlement.

In a joint declaration aimed at persuading the Palestine Liberation Organisation to allow King Hussein of Jordan to negotiate on the basis of President Reagan's peace proposals, the two regional groups called on "all parties to the dispute to seize the present opportunity for progress towards a comprehensive just and lasting peace."

For their part, the six EEC Foreign Ministers went some way towards lining up alongside Asean in support of the coalition of Democratic Kampuchea led by Prince Norodom Sihanouk. This groups the main political forces resisting the Heng Samrin regime installed by the Vietnamese in Kampuchea.

Asean's readiness to give some political backing to the EEC's preoccupation on the Middle East highlighted the extent to which the two-day meeting — the fourth of its kind — successfully forged broad common approaches.

The task was not a particularly difficult one for the EEC Ministers, as they were dealing with five of the most pro-Western and relatively prosperous members of the Third World — Malaysia, Singapore, the Philippines, Thailand and Indonesia.

The Asean countries were unhappy about France's plan to supply $30m of aid to Vietnam. But they avoided any public criticism, and claimed they were satisfied with the joint declaration's formula that "no assistance should be given to Vietnam of such a nature as to sustain and enhance the Vietnamese occupation of Kampuchea."

Anti-trust probe on airlines

By Paul Taylor in New York

THE U.S. Justice Department yesterday launched a criminal anti-trust grand jury investigation of airlines operating the transatlantic route between the UK and the U.S. The investigation, which had been expected, will focus on "possible anti-competitive practices in trans-atlantic air service."

It follows allegations by the liquidators of Laker Airways that major U.S. and European airlines conspired to drive Laker out of business.

China agrees next N-station step

BY MARK BAKER IN PEKING

CHINA has agreed to the formation of a management committee to prepare for the $6bn (£4.11bn) nuclear power station in Guangdong province, near Hong Kong. According to the official New China News Agency, British and Chinese officials are about to sign a memorandum to begin preparations for the station.

Gu Mu, a Chinese state councillor, met a delegation from the British Industry Department, which has been in talks in Peking for the past four days.

"The construction of the nuclear power plant will benefit the economic development of both Guangdong and Hong Kong, and will be conducive to Sino-British co-operation in other fields, Gu said later.

The agency said the talks had "explored the possibility of buying conventional equipment from Britain for the plant." The talks had also dealt with investment, electricity distribution, sales of electricity to Hong Kong.

It has been widely predicted that Britain's General Electric Company will supply conventional equipment for the station, while the French company Framatome will supply the two nuclear steam supply systems.

However, the French are pressing for the complete contract.

The station would operate as a joint venture of the Chinese Guangdong Electric Company and Hong Kong's China Light and Power.

Mr Andropov

Andropov's health stays under scrutiny

By Anthony Robinson in Moscow

REPORTS that Mr Yuri Andropov, 68, the Soviet leader, is in poor health were partially dispelled yesterday when he met the visiting Nicaraguan Sandinista leader Daniel Ortega, according to the Soviet news agency Tass.

A top Soviet official told correspondents at a diplomatic reception on Thursday that Mr Andropov had been ill with flu, an epidemic of which is sweeping the city in the aftermath of winter.

But Mr Andropov's lengthy non-appearance in public and reports of backstage political manoeuvring before a planned party central committee meeting next month had sparked suggestions of a recurrence of a kidney disease which has plagued him sporadically for several years.

The gerontocratic nature of the Soviet leadership and the personalisation of political struggle in a byzantine political system with an underdeveloped institutional framework for change ensures that rumours about the physical health of leaders are frequently read as omens of political health too.

Speculation about forthcoming political personnel changes has been fuelled by this week's elevation of Andrei Gromyko, Foreign Minister, to the post of First Deputy Prime Minister. He shares this honour with two other men.

The move is expected to lead to his eventual retirement, opening the way for promotion of a younger man, while Mr Gromyko would retain an overall advisory and co-ordinating role in foreign policy matters.

Several senior career diplomats are believed to be waiting in the wings, including the veteran Soviet ambassador to Washington, Anatoly Dobrynin, who is expected back in Moscow shortly.

Honduran troops 'in Nicaragua'

By Hugh O'Shaughnessy

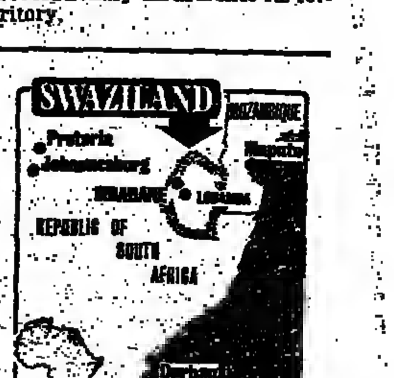
THE SANDINISTA government in Managua yesterday charged the Honduran government with having sent its troops into Nicaragua to support counter-revolutionaries bent on overthrowing the Nicaraguan government.

The Sandinistas said their forces clashed with Honduran troops in the Papayas valley 180 miles north of Managua. The statement came a day after deputy Nicaraguan foreign minister Nora Astorga had warned the Honduran government that it risked all-out war with Nicaragua

The Nicaraguans report that one of their troops was wounded in the fight in the Papayas valley. Nicaragua was expected yesterday to continue its charges in the UN Security Council that the U.S. government was backing the counter-revolutionary thrusts into its territory.

J. D. F. Jones, recently in Mbabane, explains leadership reshuffles

A beginner's guide to Swaziology



A COUNTRY in which the Prime Minister, a Prince, is sacked by the Queen Regent, also known as the Great She Elephant, and where the King's household inhabits a kraal with a Royal Cattle Byre can be a little bewildering to outsiders.

Such is Swaziland, the small enclave on the border of South Africa and Mozambique, where this week a second Prince was chosen to succeed Prince Mabandla Dlamini, sacked unexpectedly last weekend.

The affairs of Swaziland are particularly bewildering to the outside world because of the duality of the system left by King Sobhuza II, who died last August after reigning for 61 years. He inherited from British colonial days two parallel systems of rule — the "Swazi Nation" and the "Government," the Liqoqo Royal Council and the Parliament.

The Swazi Government is found in the business centre of Mbabane. The King and his household are down the valley in Lobamba, in the beehive huts and the Royal Cattle Byre at Lozita.

To the non-Swazi, the relationship between the two structures, to say the least, is murky, while any attempt to follow the politics of the (enormous) Dlamini Royal Family makes Kremlinology seem easy.

The death of the king, who had dominated the lives of his subjects — there are scarcely 600,000 of them, and most live a rural life — led to six months of uneasy equilibrium between what can be loosely termed the "traditionalists" and the "modernists."

This division does not necessarily correspond to the duality in the Swazi system, but it was possible to identify certain Ministers as modernists, though it was far from clear that the modernist Prime Minister, Prince Mabandla Dlamini, could command his own cabinet.

Down at the Cattle Byre the sovereign authority had passed to the Great She Elephant, Queen Regent Dzeliwe, in her late 50s, and one of King Sobhuza's later wives.

Although no official announcement has been made, it is known that the next King has been chosen. He is a young Prince in his mid-teens and it is understood that he has been sent to Britain to be educated.

Not surprisingly, there has been a battle for the Queen Regent's ear, and at this point Swazi politics vanish completely into the shadows of the kraal. Prince Mabandla had been considered fairly well placed, partly because he had recently managed to achieve the arrest of two of the principal traditionalists.

His ousting — apparently to his own surprise — and the announcement that his successor was to be Prince Bhekimpi Dlamini (whose political career dates back 20 years) seem to confirm that the traditionalists have regained the initiative. Prince Mabandla has retreated to his village.

Prince Bhekimpi, who was sworn in yesterday, is 59, but apart from the fact that he was deputy minister in the Department of the Deputy Prime Minister (and thus in Cabinet) and by his record a proven traditionalist, little is known of him. Elections will be held in October, and the present cabinet will carry on until then.

But what does this mean in terms of practical policies? Swaziland, although a sovereign member of the Commonwealth, is dominated by the regional politico-economic system controlled by South Africa.

Swaziland's commercial life is intimately related to that of the Republic. Its menfolk traditionally migrate to work in South Africa (though the numbers who go to the mines have contracted to about 10,000 a year). Its tourist industry exists partly to offer white South Africans an escape from apartheid and the puritanical restraints of their home country.

There are three key areas in which the South African connection is particularly important.

● Swaziland's membership of the Southern African Customs Union, which not only gives young Swazi industries access to the Republic but, more important, accounts for 60 per cent of total Government revenues.

● The land issue. The Swazis are keen to recover land that was alienated in the last century. Pretoria last year offered to cede to Swaziland large tracts of the historically-claimed territory—the Kangwane homeland and the Ingwavuma area of Kwazulu—plus nearly 1m Swazi citizens, in a deal which would have given Swaziland access to the Indian Ocean at Kosi Bay.

Swazi traditionalists by and large were delighted; modernists tended to look the gift horse in the mouth; South African opponents of the Government were appalled; and the South African courts blocked the deal. The change of Government in Mbabane raises the possibility of the revival of this issue.

● Swaziland is important to South Africa's security because it lies across the route of African National Council (ANC) guerrilla inroads from Mozambique. The South Africans have made it clear that they will not tolerate any ANC use of Swaziland as a "springboard" for military incursions.

The Swazi Government has been anxious to confirm that it wishes to "reduce dependence" on South Africa. It remains to be seen whether or not a more traditionalist Government will be less interested in demonstrating this policy, or less successful in achieving any results.

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UK to head study on public's views of technology

BY DAVID FISHLOCK, SCIENCE EDITOR

BRITAIN is co-ordinating the first international study on the public acceptability of new technologies such as nuclear energy, robotics and micro-processors.

The project is part of Britain's contribution to the annual "economic summit" attended by the seven nations. The summit will deal with the challenges and opportunities of technology, and the need for more co-operation, proposed by President Mitterrand of France at the Versailles economic summit last June.

A working group drew up a report on proposals to help "exploit the immense opportunities presented by the new technologies, particularly for creating new employment." This was published by the British Government yesterday.*

The report will be discussed at the Williamsburg economic summit in the U.S. at the end of May.

"What we think we have done is to raise to the highest level the subject of science and technology," Dr Robin Nicholson, chief scientific adviser to the Cabinet Office and to the Prime Minister, said yesterday.

Dr Nicholson, who represented Britain on the working group, said he was "delighted at the warm reception" the other six nations had given Britain's proposal on the problems of public acceptance.

The report says that if new technologies are regarded as unacceptably risky or threatening to the environment or to jobs, they can be and frequently are resisted.

"It is possible to distinguish between different publics and different dimensions of the public acceptance problem. For example, the same individual can respond enthusiastically to new technologies as a consumer but negatively in the workplace, where technologies are frequently seen as threatening to jobs, status and skills," the report says.

Dr Nicholson said there had been little collaboration previously between nations.

The proposal was one of four accepted from Britain. The others were food technology, bio-technology, and advanced materials and standards.

* *Technology, growth and employment. Report of the Working Group set up by the Economic Summit Meeting of 1982. Cmnd. 8818. S.O. £3.55.*

Peter Riddell looks at the effects and implications of the by-election's differing campaign styles

Personality the key to Labour's Darlington victory

THE ELECTORATE is now so volatile that all by-elections are different. The explanation for Labour's victory in Darlington, therefore, lies primarily in local factors, notably the personalities of the main candidates.

Labour MPs privately concede that, if, say, Mr Chris Mullin, the hard-left editor of Tribune, had been picked for Labour—and he was seeking the nomination originally — the whole campaign would have bene different. A good Social Democratic Party candidate, or possibly the Tory, might then have won.

The campaign and the fluctuating fortunes recorded by the polls suggest that many voters are no longer tied firmly to class and traditional allegiances. People change their minds and go in large numbers to public meetings to hear the candidates.

Mr Tony Cook, of the SDP, who came third, started the campaign as the front-runner, not least because be was well-known locally as a Tyne Tees television reporter. Yet, primarily as a result of three televised public debates, he was shown to be inexperienced and shallow on policy issues. This put the SDP on the defensive, just when Labour attacked.

Labour fought its most skilful campaign for many years, projecting Mr Ossie O'Brien, the victor, as the acceptable face of Labour, in an appeal to traditional party values. This is much easier to do in Darlington than in London and other big cities, since the Militant Tendency is merely a couple of youths on a street corner and Mr Tony Benn and Mr Ken Livingstone seem a long way away.

The image of Labour revivalism came through in packed meetings and in the visits of mainstream leaders, such as Mr Denis Healey and Mr James Callaghan. There was a large influx from outside, and it was significant that Mr O'Brien's first thanks in his acceptance speech went to Trade Unions For a Labour Victory, the umbrella union body, which sent in many organisers.

The result is in part a personal triumph for Mr Jack Cunningham, the MP for Whitehaven, and epitome of the Labour Centre Right establishment, who masterminded much of the campaign.

The final personal twist came in the last two or three days, when the polls showed Mr O'Brien clearly ahead. There then seems to have been a melting away of "soft" SDP support, mainly to Mr Michael Fallon, the Tory candidate.

The Tory vote has always been strong in Darlington. The main impact of the last week's opinion polls seems to have been to push voters back towards traditional allegiances, when the alternative lacked credibility. This mainly benefited the Tories, as the Labour vote only rose slightly during the campaign.

Ashley Ashwood

The SDP's Mr Tony Cook canvassing. Voters were interested but not committed

The result raises many questions for all parties, but particularly for the Alliance. Liberal leaders, notably Mr David Steel, yesterday tried to play down any splits and refute suggestions that a Liberal candidate might have done better.

Nevertheless, long-standing critics of the Alliance, such as Mr Michael Meadowcroft, from Leeds, argued that the Liberal approach to community politics established a greater sympathy with the electorate. Similarly, in a speech to the Scottish Liberal Conference, Mr Simon Hughes, the new Bermondsey MP, stressed the importance of building up local roots.

The SDP campaign was well-organised and thorough. As in previous by-elections, it was run by Mr Alek McGivan, the party's experienced chief agent. However, there is bound to be criticism of the campaign style, which failed to establish a clear identity for the party and its policies.

Criticism will also be aired about the weaknesses of Mr Cook as a candidate. Mr Bill Rodgers, the SDP leader who spent most time in Darlington, said yesterday that Mr Cook's "lack of political sophistication" had proved to be a liability, though he praised the way Mr Cook had stood up to "the punishing experience."

Mr Rodgers said the Alliance had been "the victim of the euphoria following Bermondsey because inexperienced and enthusiastic canvassers had mistaken interest in the party on the doorstep for committed support."

SDP leaders will also wonder how many other of their candidates are as inexperienced as Mr Cook, though they would not face such intense media pressure in a general election.

The selection process favours the well-known, with or without experience. This is because the hustings meetings before selection are often attended by less than half those who eventually vote by postal ballot to choose the candidate.

As a final curiosity, the campaign showed that the provision in electoral law allowing all candidates to appear together in televised debates undoubtedly helped Screaming Lord Sutch of the Official Monster Raving Loony Party, who got 374 votes in Darlington, a sharp improvement on his 97 in Bermondsey.

Such will, however, recoup his lost deposit of £150, since he placed a £50 bet at odds of 3-to-1 that he would poll more than 250 votes. He won £150, equal to his deposit, apart from all his earnings entertaining in local pubs during the campaign.

RESULT

O. O'Brien (Lab) 20,544; M. C. Fallon (Con) 18,132; A. P. Cook (SDP) 12,735; L. D. E. Sutch (Monster); A. H. Clark (Ind) 164; T. L. Keen (Tac Voting) 374; I. J. N. Bardwaj (Yoga) 15; P. R. Smith (Repub) 10; Lab majority 2,412. General Election: E. J. Fletcher (Lab) 22,565; T. J. R. Kinkhope (Con) 21,513; K. Walker (Lib) 5,054; H. Outhwaite (NF) 444. Lab majority 1,052.

Politics today, Page 17

Vaughan puts in a word for the consumer

By David Churchill

COMPANY CHAIRMEN have been getting some surprise phone calls recently from Dr Gerard Vaughan, the Minister for Consumer Affairs. He has taken to ringing up the heads of consumer product manufacturers and asking them how responsive they are to what consumers want.

Dr Vaughan's concern is that consumers are forced to buy foreign-made goods because British companies do not take sufficient heed of what their customers want.

"I asked one chairman of a large company why an advertising brochure he put out had no address or telephone number to enable the potential customer to contact the company if he wanted to," recalls Dr Vaughan. "He was as surprised as I was to find that his marketing department apparently paid so little heed to the consumer."

Dr Vaughan firmly believes the British consumer should take an active part in encouraging UK manufacturers to meet the needs of the domestic market rather than simply buying foreign-made goods by default.

He is also considering involving formally Britain's consumer groups to help in the campaign. This is likely to be more than welcomed by consumer activists meeting in Sheffeld this weekend for the annual Consumer Congress.

Dr Vaughan is due to address the congress tomorrow and is expected to give a progress report on the Government's aid to consumers since he took over as Consumer Affairs Minister from Mrs Sally Oppenheim.

Dr Vaughan's record has been low-key since then as he and his officials have been faced with a plethora of minor legislative amendments in areas such as consumer credit, estate agents, and consumer safety.

Dr Vaughan has also tried to identify the four main areas he believes are of most concern to the consumer. These are: unfair trading, such as fraud; product quality; consumer safety; and information, especially in the nationalised industries.

Filters plant to close with loss of 150 jobs

More than 150 workers are to be made redundant at the Coopers Filters factory in Hemel Hempstead which is to close in July.

The company told the workforce it could no longer manufacture, air and oil filters there because of increasing costs and the depressed state of the motor industry.

Work would be gradually transferred to its main plant at Abergavenny in South Wales by the end of July.

The company, part of the Turner and Newall group, said the consolidation would help the company's operational efficiency and cost effectiveness.

During the last year the plant, which makes replacement oil and air filters for cars and lorries, has been gradually run down with the loss of over 100 jobs.

In December 1981 Coopers closed its warehouse in Luton with the loss of about 30 jobs.

BMW to import through Immingham

BMW (GB) is to import its cars for the North of England and Scotland through Immingham. The first ship carrying 120 of the West German-made executive saloons is due at the South Humberside port this afternoon.

The move will mean increased trade for Immingham, one of the Associated British Ports, and also for Doncaster, where a BMW import centre will be handling distribution of about 9,000 cars this year, a third of the estimated 27,000 BMW UK sales.

Dr Walter Hasselkus, managing director of BMW (GB) said yesterday: "Because of the increased number of BMWs being sold in Britain, we planned a second port of entry after Harwich. The Immingham-Doncaster link will give us a more efficient distribution service to our northern dealers. It is hoped that the number of cars imported through Immingham will continue to grow in step with our projected future sales."

Mining gear suppliers likely to confirm merger

BY MAURICE SAMUELSON

THE MERGER of two leading mining equipment suppliers is expected to go ahead following a decision by their main customer, the National Coal Board, not to block it.

Fletcher Sutcliffe Wild (FSW), the mining equipment offshoot of Booker McConnell, the food, services and engineering group, is to be sold to Dobson Park Industries, the mining machinery and engineering group.

Neither side has confirmed the sale or the price, which could be about £10m, the estimated net value of FSW. But an announcement is expected in the next few days.

The Office of Fair Trading has been in touch with the National Coal Board, but it is understood that although the NCB made some comments about the sale, it did not call for a reference to the Monopolies and Mergers Commission.

FSW supplies conveyors for removing newly sheared coal from pit faces. It also makes powered roof supports, of which the NCB's two other suppliers are Dobson Park and Dowty Mining Equipment.

UK sales of roof supports last year were about £240m, but this has probably fallen by about 10 per cent because of the NCB's cash constraints.

FSW is Booker's fourth largest subsidiary and its largest engineering investment, with a turnover last year of about £30m. It employs 700 people and its headquarters are in Wakefield. It also has three main factories in Yorkshire.

Bookers had announced that it was keen to "reduce the extent of our diversity," while Dobson Park, with a net liquidity of about £4m, has been considering a purchase for some time.

The three companies also compete overseas. The U.S. coal industry is gradually turning to the "long wall" methods and equipment used in British coalfields.

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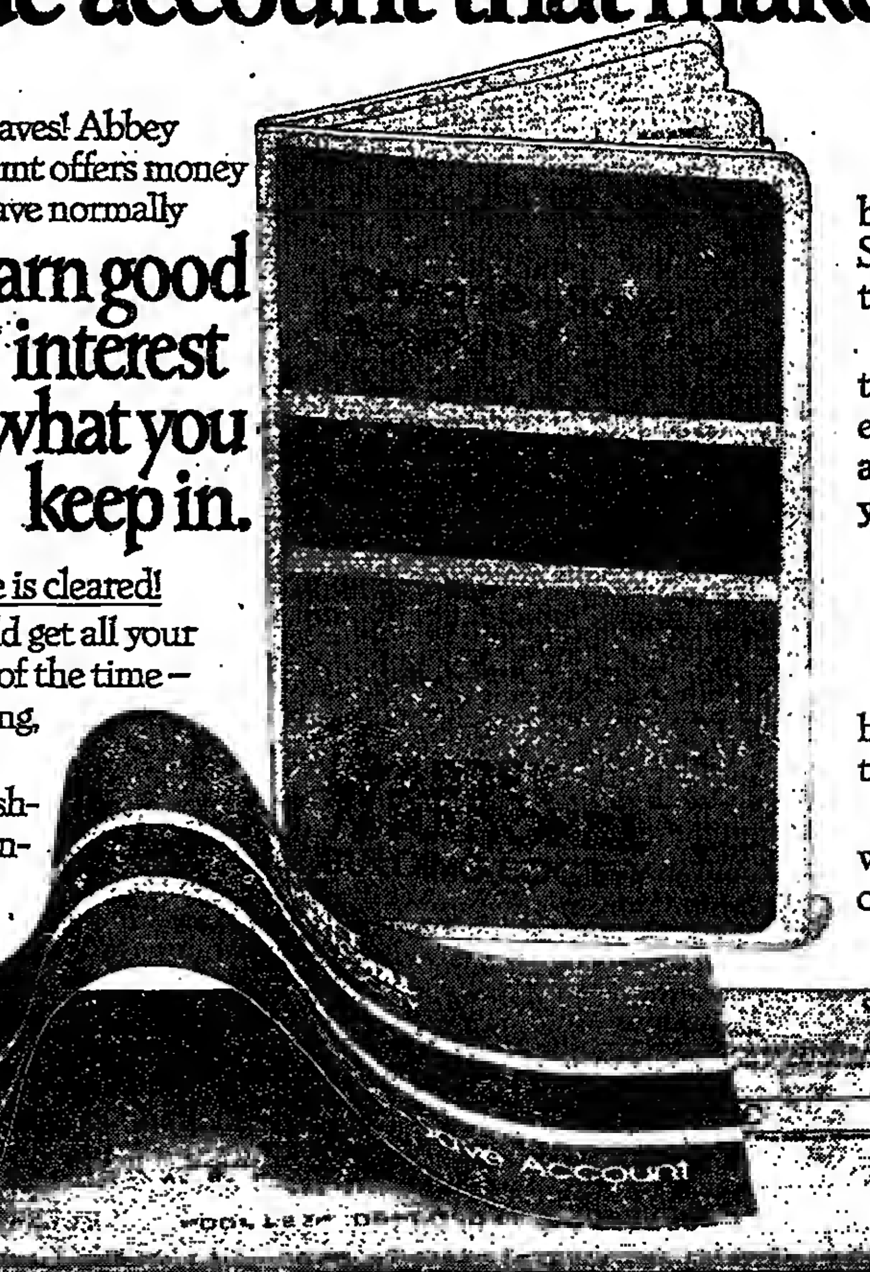

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Alan Pike reports on the BPCC dispute hitting publication of the Radio Times

The spectre haunting the printing industry

THE IMPLICATIONS of the dispute which has this week been creeping ominously through the British Printing & Communication Corporation, Europe's biggest printing group, go beyond its immediate effects on the Radio Times.

By yesterday several hundred members of Sogat 82, the print union, had been dismissed at BPCC factories in Park Royal, West London, and East Kilbride, Scotland, which print the Radio Times.

Sogat members outside BPCC have been threatening to take action in support of the Park Royal workers, which could risk Sunday newspaper colour supplements, mass-circulation women's magazines and other titles printed by BPCC, and the spectre of secondary industrial action—and a challenge to the Government's employment legislation—again hangs over the printing industry.

The origins of the dispute date back not just to the reorganisation of the financially-troubled BPCC under Mr Robert Maxwell, its chairman, in 1981, but to 1936 when the Waterlow plant in Park Royal was opened specially to handle the Radio Times.

At its peak the Radio Times had a circulation of 10m, and in 1936 a sister plant was opened in East Kilbride, Scotland, to help cope with the print order.

Between Park Royal's opening and 1981 the Radio Times was printed on a type of cost-plus contract under which the BBC met all production costs and paid the printing company a service fee.

Managers with long experience of Waterlow suggest that this comfortable but non-commercial arrangement did nothing to encourage efficiency at either shop floor or management levels.

In 1981 the BBC contract was renegotiated on a normal commercial printing basis. This coincided with Mr Maxwell's arrival and the launching of a survival plan for the sickly printing group.

National union leaders supported the plan, accepting that redundancies and changes in working practices were necessary if the company was to survive.

Achievement of the changes was remarkably trouble-free in most of BPCC's 40 locations, and the plan had an equally remarkable impact on the company's profits.

At the end of the year to January 1981, losses stood at £11.2m. By the end of the year January 1982 pre-tax losses were cut to £1.2m following a return to profit of £6.9m in the second half. Analysts expect further improvements when the company's latest results are announced next month.

Mr Maxwell has warned a number of times during the past two years that Park Royal has not been making the same progress as other plants in achieving the objectives of the survival plan. The production methods of the Radio Times, the of casual labour, and the fact that the plant is organised by the Fleet Street branches of the print unions all give Park Royal similarities to the national newspaper industry.

In a sense Mr Maxwell is involved in a Fleet Street type of battle, and last weekend he adopted a Fleet Street style of tactics by dismissing members of Sogat 82 involved in the Park Royal dispute.

This kind of tactic is usually no more than temporary, but Mr Maxwell has insisted that the 250 employees will remain dismissed and that printing work will be permanently withdrawn from the plant.

One of the crucial demands of the survival plan for Park Royal was that management and chapels should negotiate comprehensive house agreements to take account of new technology and the need to establish operations on a commercial basis.

The date set in the plan for reaching these agreements was January 1982, but by the time this week's crisis arose the agreements had still not been achieved.

BPCC says the two years it took to get negotiations going on the agreements saw repeated disputes and sectional claims. In its letter of dismissal to the Park Royal workers it says industrial action by Sogat has lost 7.5m copies of the Radio Times over the past two years and "completely eroded the customer's and BPCC's confidence in the company and its workforce."

BPCC says it has invested £1m in Park Royal but that the state of industrial relations there does not justify the much heavier investment which would be required for a full modernisation of the plant. The machinery there dates back to the opening in 1936.

It is planned to continue typesetting the Radio Times at Park Royal, but with circulation down to 3.5m the company would like to concentrate all printing at East Kilbride. Union leaders suspect this may have always been BPCC's preferred option.

"For two years Park Royal has been waiting for the replacement of what Mr Maxwell calls the clapped-out machinery, but the promised major investment has not taken place," Mr George Willoughby, Sogat 82 London Central branch secretary, said.

"There is a feeling that the company may have never really wanted to invest in Park Royal and has found an excuse to move printing of the Radio Times out. This will be resisted most strongly."

Jobs for council worry at Lloyd's

By John Moore, City Correspondent

A LLOYD'S underwriting agent has warned Mr Ian Hay Davison, chief executive of the Lloyd's insurance market, that a "most serious" situation has developed after the disclosure that some members of the Lloyd's ruling council are considering accepting jobs within the market.

Mr George Dawes, who runs the Dawes and Henderson (Agencies) company at Lloyd's, wrote to Mr Davison earlier this week when it became known that up to four of the eight members of the council elected by the non-working members of the market to represent their interests were considering taking up jobs with Lloyd's firms.

The council consists of 16 working brokers and underwriters; eight representatives of the 16,000 non-working members (external members who pledge their capital to allow Lloyd's to function); and three independent members with no connection with Lloyd's.

The external members are worried that the working members of the council may be widening their representation through offering jobs to the eight external members. They fear losing their representation on the council once their representatives take up appointments with brokers, underwriting agencies and other Lloyd's firms.

In his letter Mr Dawes, whose agency looks after the affairs of 150 members of Lloyd's, said: "I consider that the situation is most serious, as it will completely destroy the new structure set up to ensure representation of external members by unconnected persons.

"It is my view that in principle a consultancy appointment will be considered by external members as a transfer by the member of the council to the establishment, and that the member of council has become a working name."

He has said that the members of Lloyd's would recognise that reasonable working expenses should be allowed for their representatives on the council, and suggests that perhaps a small attendance fee should be offered, based on the House of Lords method of remuneration.

Mr Dawes has asked what action is being taken "as one of my clients has already resigned his membership on the grounds that he considers his representatives will no longer be independent if they become attached to or financed by Lloyd's firms.

"My fear is that there will be a major exodus of members as a consequence of the inability of members of council not to capitalise on their position."

MSC halts jobless centres funding over political activities

BY JOHN LLOYD, LABOUR EDITOR

THE Manpower Services Commission has suspended further funding for the network of Unemployment Centres pending talks between the two bodies on tighter rules aimed at curbing the centres' political activities.

It has already cut off funds to one of the largest, the Sheffield Centre — called the Centre Against Unemployment — because it believes its work has become overtly political.

The commission has £2.66m available for the centres, enough to fund more than 780 posts. At present, however, it is paying for only 258 posts in 93 Centres, 85 of which are jointly funded with the TUC.

A meeting between Mr Len Murray, the TUC general secretary and Mr David Young, the MSC chairman, is to be arranged soon after Mr Murray returns from his visit to China. Mr Young will press Mr Murray to accept new guidelines for the centres which will seek to make them play an apolitical role.

It is thought that drafts of these guidelines call for a ban on participation in marches or demonstration, balanced educational work and regular visits to the centres by MSC staff to monitor their behaviour and popularity.

The grant to the centres—there are now about 170 nationally—come under the Community Programme, which pays money to the unemployed, largely to engage in socially useful work.

The TUC has been aware of the potential dangers of relying on state aid for the centres—which it wishes to see playing a "campaigning" role. Mr Murray recently launched an appeal aimed at persuading union members to give £1 to the centres in a bid to achieve financial independence for them.

BID FOR SCREEN RIGHTS

Televising football 'a matter of economics'

BY RAYMOND SNODDY

MR JACK DUNNET, president of the Football League and Labour MP for Nottingham East, said yesterday the televising of football was a matter of "pure economic forces."

"If someone offers you £1 for something and someone else offers to £1.50 then I assume the right price is £1.50," Mr Dunnet said.

He was explaining why an organisation with 92 local outlets grouped in four divisions with falling revenues and rising deficits should be seriously considering selling to London and Liverpol Trust the exclusive right to screen football matches in pubs and turning its back on television.

London and Liverpool, which last year vied with Polly Peck as the fastest moving share has offered £8m for the rights over the next two seasons. The joint offer from the BBC and ITV companies is £5.3m and is "absolutely final."

The Birmingham-based video and equipment distributor wants, through its Telejector subsidiary, to show the matches on 45-inch video screens in pubs and clubs on Monday nights.

Mr Jeffrey Bonas, London and Liverpool chairman, said yesterday that 2,500 screens were already installed and the total would be 5,000 by the end of the year. Although the national film service for the pubs and clubs does not begin until April, independent market research indicated that the programmes shown already were popular and that the advertising had a dramatic effect on direct sales. The plan was for three programmes of 20 minutes with advertisements at night.

The agreement with the Football League would not cover events such as the FA Cup Final or Internationals. But London and Liverpool would also like to expand the sports coverage to include such things as boxing matches.

Mr Dunnet, whose recreation is watching professional football, said yesterday he believed the pub video screens were an exciting new media "and I think the deal has got everything going for it."

The London and Liverpool proposal comes before the 10 members of the management committee of the League at the Great Western Hotel, London, on Wednesday. If approved it goes to the clubs for a final decision.

Apart from money the proposed deal would give the league the right to choose which matches were shown and when. The league would also have editorial control.

Mr Dunnet believes television gives disproportionate attention to crowd violence, which he says is one factor reducing gates. The clubs would also make more money by carrying advertising on shirts.

But one hope is probably uppermost in league minds.

"If people are not able to see football on television any more we think it might improve our gates," Mr Dunnet said. The BBC said yesterday Match of the Day was already costing £100,000 a programme and the offer was final.

Clubs, the corporation warned, should compare the true worth of the rival offers. Ground advertising contracts are likely to be lost if football disappeared off the television screen. "A £1m Tottenham Hotspur sponsorship and ground advertising deal is dependent on network coverage," the BBC said.

"And think of how many people would want to go out on a Monday night to see a nil-nil draw," the BBC said in a rough tackle.

London and Liverpool shares closed yesterday at 480p—up 2p.

MSC names councils in trainee plan

By Alan Pike, Industrial Correspondent

THE education authorities which will pilot a radical new approach to technical and vocation education for 14-18 year-olds were named yesterday.

The Government originally intended to fund 10 pilot projects but the Manpower Services Commission has decided to open negotiations with 14 authorities. They are Barnsley, Bedfordshire, Birmingham, Bradford, Clwyd, Devon, Enfield, Hereford & Worcester, Hertfordshire, Leicestershire, Sandwell, Staffordshire, Wigan and Wirral.

Some authorities may withdraw during detailed negotiations over the coming weeks, but money will be available to fund all 14 if necessary.

Two of the authorities—Enfield and Wirral—were added by members of the commission who were concerned that there was a geographical imbalance in the original selection. A total of 70 schemes from 66 authorities were submitted.

The scheme, starting in September, is designed to improve technical and vocational provision for 14-18-year-olds using a mixture of school and further education facilities.

Although it is being launched as a pilot project, ministers and senior MSC officials believe it could bring far-reaching improvements in the technical skills of young people leaving Britain's schools.

Applications were received from 40 Conservative-controlled education authorities, of which nine were successful, and from 20 Labour authorities, of which five were successful.

● This week's meeting of the MSC approved a consultative document on means of improving adult training provision. It will be published next month.

It also agreed to double the funding of the Open Tech Programme so that about 20,000 people will be able to take part in projects by 1984-85.

Legal challenge possible over BNOC price policy

BY RAY DAFTER, ENERGY EDITOR

THE British National Oil Corporation has met fresh controversy over its bid to negotiate a lower reference price for North Sea oil.

Several independent producers warned yesterday that they might challenge the corporation's attempt to backdate any price reduction to February 1. Tricentrol, one of the leading independents, is now considering legal action over the pricing of deliveries made to BNOC in February and March. It is thought that a sum of about \$800,000 - \$900,000 (£548,000-£616,500) is in dispute.

BNOC already faces difficulty in reaching a pricing consensus among its refinery customers. It could be late next week at the earliest before refiners respond to the corporation's recommendation that North Sea prices be cut from \$33.50 a barrel to \$30.50, from February 1.

Within the industry it is expected that BNOC will be forced to set a price of \$30 or lower. It might then meet problems with some of its independent suppliers, which are anxious to get as high a price as possible for their crude oil.

Tricentrol, it is understood, has already told BNOC that until the new North Sea rate is set, deliveries should continue to be priced at \$33.50 a barrel. The company sells BNOC 130,000-150,000 barrels a month. A cut of \$3 a barrel, backdated to February 1, would result in a loss of income of over \$800,000 for Tricentrol.

State participation arrangements covering sales to BNOC entitle producers to seek an arbitrated price from an expert in the event of a dispute. However, Tricentrol believes that the expert should be called in only on questions of price, not on the timing of price changes. As a result the company is considering legal action.

Other independents are known to be watching Tricentrol's tactics with interest, although some said they would prefer to settle any dispute through arbitration than in the courts.

The problems of settling a North Sea price, and the consequent oil industry attention on BNOC and the Government, are beginning to provoke questions about the corporation's future.

Increasingly, company executives have been asking whether, in current market conditions, a state trading company serves any purpose. They point out that by fixing a reference price for North Sea crude, BNOC has been forced to assume a central role in the world oil market, a role which has become embarrassing to the Government.

Halewood strike likely to continue

BY DAVID GOODHART, LABOUR STAFF

THE Advisory Conciliation and Arbitration Service was last night staying in touch with both sides in the 17-day strike at Ford's Halewood plant which has now halted production of 12,000 Escorts valued at £60m.

But there were no signs yesterday of any significant breakthrough in the dispute which is now expected to continue through next week and over the Easter holiday break.

Mr Ron Todd, the Transport and General Workers' Union chief negotiator for the car industry, yesterday emerged from a one-hour meeting with Halewood shop stewards in Liverpool saying the assembly workers were "standing firm" and there were no plans for even exploratory talks with the management.

He added that there were no plans for a meeting of the 4,600 workers now on strike in the assembly plant. Another 4,100 are laid off in the body shop.

The strike began when Mr Paul Kelly, a 25-year-old line operator, was dismissed for allegedly damaging a car, and the union has repeated that there will be no return to work until he is reinstated.

Shop stewards have rejected the company's offer of an industrial tribunal claiming that in 1981 only 0.7 per cent of unfair dismissal tribunals resulted in a decision for reinstatement. The possibility of a full-scale intervention from Acas has not yet been ruled out, however, by either side.

Mr Todd said: "We believe that Paul Kelly is innocent and is being used. We have a mandate from our membership that they will remain in dispute until he has been reinstated. Nevertheless, we don't want Halewood to go out of the window and I don't want to add one man to the unemployed on Merseyside. That includes Paul Kelly."

Mr Todd would not speculate on how long the dispute could go on but said that strikes at Halewood had invariably lasted seven or eight weeks in the past.

● About 8,000 shopfloor workers at Vauxhall's Luton plant are expected to vote early next week on whether to lift the proposed import ban on the General Motors' Spanish-built S car.

Teachers reject offer

BY OUR LABOUR STAFF

UNIONS representing 440,000 teachers in England and Wales yesterday rejected a pay offer from the education authorities oof 4 per cent.

Talks have now been adjourned until April 15 when the employers are expected to increase their offer slightly to bring it into line with the offer of just under 5 per cent recently accepted by Scotland's 54,000 teachers.

After yesterday's talks, Mr Fred Jarvis, general secretary of the National Union of Teachers, said: "I regret that little progress has been made. Four per cent cannot be described as a basis for serious negotiations as it would not maintain teachers' living standards. The offer was rejected without hesitation."

The teachers' initial claim was for a rise of 15 per cent but that was moderated after a pledge from the employers to improve on their original offer of 3.5 per cent.

Last year teachers in England and Wales were awarded a pay rise of 6 per cent after going to arbitration. Scottish teachers also received 6 per cent.

Nationwide rebels fail in bid to replace directors

BY MICHAEL CASSELL

REBEL members of the Nationwide Building Society yesterday failed in the annual meeting to replace some directors and implement a list of rule changes.

Mr Christopher Punt, the 37-year-old Barnstaple solicitor who was a founding member of The Building Societies Members Association, polled just over 30,000 votes from Nationwide members, less than half the total recorded by the three existing directors who were voted back. Three other members also failed in their attempts to join the board. A total of 332,193 votes were cast.

The four-hour meeting, held at the Europa Hotel in London and attended by about 800 people, also rejected two dozen resolutions calling for changes in the societies' rules and criticising aspects of Nationwide polices.

Although the protesters failed to achieve their major objectives, they extracted information about the society's business which had not previously been made available.

Last year, for example, the society spent £262,000 on entertaining business contacts (members were reminded that the figure worked out at a mere £10 a week for each branch). The society's vehicle fleet cost another £711,000 and £66,000 was given to charitable institutions.

At the centre of the argument about the method of election of directors to the board is the society's power to fill vacancies that arise during the year by co-option, enabling the person to stand for re-election at the next annual meeting.

Mr Punt, who claimed the system prevented ordinary members from being elected, said the society — once known as the Co-operative Permanent —was "in danger of becoming known as the Permanent Co-option Society."

Mr Paul Battley, supported Mr Punt. He has tried for 17 years to get a seat on the board and described himself as the "Bill Boackes" of the Nationwide. He, too, lost his deposit.

The board, said one member, should be more representative and should include women, blacks and people under 50. Perhaps, he suggested, the board could co-opt one person who met all these requirments.

Undaunted by a chorus of taunts from the society's "militant tendency"—which likened the board to Stalin, King Canute and the Master of the Titanic, Mr Leonard Williams, Nationwide's chairman, defended the society's democratic qualities and took pleasure in pointing out that Mr Punt's own Association allowed members to be co-opted on to its committee.

Mr Punt and about 150 members intend to carry on their fight against Nationwide, which has over 3m members. The High Court is deciding on a question of law arising out of one element of his unequal struggle with the society.

GKN to axe Midland iron foundry

By Arthur Smith, Midlands Correspondent

GKN is to close the last of its iron foundries supplying the automotive industry. The company blamed the fall in demand from vehicle makers for the closure of GKN Shotton in Halesowen, West Midlands, with the loss of 265 jobs.

The foundry had lost £1.6m over the last two years and was still unable to trade profitably, the company said.

The closure is the latest in a large-scale shakeout of the foundry industry, much of which is still operating at only 60 per cent capacity.

Mr Terry Davies, managing director of the Birmid Qualcast foundries division, said at its annual meeting in Birmingham yesterday that the industry expected more foundries to go out of business and that strategic capacity essential for Britain to retain its engineering industry and manufacturing base was at risk.

He said leading companies in the industry had joined to form the Association of Major Castings Manufacturers in order to press home this message to the Government.

Nalgo issues guidelines on equal opportunities

BY OUR LABOUR EDITOR

A LOCAL authority staff union has called on senior local government officials to stop interviewing candidates for jobs until they have undergone special training in "non-discriminatory" interviewing and "the perception of racism and sexism."

The National and Local Government Officers Association has sent new guidelines on racism and sexism to all its branches. The guidelines urge members to negotiate equal opportunities agreements with authorities in order to end discrimination on the grounds of race or sex.

The union wants authorities to institute a "staff audit," which would identify where positive action was required.

The audit would analyse staff by race and sex, and by grading, qualification and training.

The initiative is similar to those recently proposed in a document published for the women's TUC, and to plans adopted by such authorities as the Labour-controlled GLC.

Nalgo is a rare example of a union whose members include chief executives as well as low-paid employees. It is, therefore, in a position to put pressure on those with responsibilities for hiring and firing.

The guidelines say that the special training "should include training not only in non-discriminatory interviewing but also in the perception of racism or sexism; in many cases such training will require rigorous and radical challenging of assumptions and attitudes."

A last opportunity for 1982/83 tax relief under the Business Start-Up Scheme

The Harrogate International Hotel PLC

Issue of 1,750,000 Ordinary shares of £1 each at £1.50 per share payable in full on application.

The Company proposes to develop a new Hotel on a site adjacent to the Harrogate Conference centre.

Subject to the fulfilment of certain conditions, investors should be able to obtain full income tax relief on the cost of their investment as explained in the prospectus, copies of which are available from:

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7/11 Moorgate,
London EC2R 6AH.
Tel: 01-606 8811.

Albert E. Sharp & Co.,
Edmund House,
12 Newall Street,
Birmingham B3 3ER.
Tel: 021-236 5801.

Full details of the issue are set out in the prospectus. Applications will be accepted only upon the terms and conditions set out in the prospectus.

The closing date for the issue is 5th April 1983.

However, application forms and cheques should be lodged on or before 30th March 1983 to ensure that cheques can be cleared before 5th April.

London-Inverness air fare less than rail

BY LYNTON McLAIN

IT WILL BE CHEAPER to fly between London and Inverness than to take the train from Monday when Dan-Air starts a new low fare service in place of British Airways which today abandons the route.

Dan-Air is to undercut British Rail's £82 second-class return fare by £2 with a lowest-return air fare of £80. However, the air fare has to be booked two weeks in advance of travel, while BR's normal ticket has no such restrictions.

British Rail's cheapest regular ticket on the route is the £55 second-class weekend return.

Dan-Air's normal economy return fare of £150 — the fare expected to be used by business travellers — compares unfavourably with British Rail's normal first-class return ticket of £123.

However, as Dan-Air pointed out yesterday, its economy return fare is £10 cheaper than the £160 economy fare offered until now by British Airways.

British Airways is withdrawing from the route because of continuing losses on the 62,000 passengers it has carried each years. Dan-Air expects to retain most of these passengers with its lower-priced daily service from London's Heathrow Airport to Inverness and back.

The independent airline also says it expects to attract some of the 300,000 passengers carried by BR on the London to Inverness route each year.

Dan-Air will launch the service on Monday with a 6.40 am flight from Inverness, arriving at Heathrow an hour and a quarter later. The train takes 11 hours, the airline noted.

The first departure from Heathrow will be at 8.55 am each day, and all flights by 1-11 aircraft will also carry freight.

Bank dispute moves to Acas

BY OUR LABOUR EDITOR

THE DISPUTE between bank employers and banking unions over a 4.75 per cent pay offer to 170,000 clerical staff moved to the Advisory Conciliation and Arbitration Service yesterday.

Officials from the Federation of London Clearing Banks held talks at Acas with representatives of the Clearing Banks Union—the smaller of the two major banking unions.

The offer, described in previous talks as final, was not increased. However, both sides have narrowed their differences to concentrate on the increase itself. Talks on the offer, though, could last for some time.

The Banking Insurance and Finance Union, the larger of the two, did not attend at yesterday's Acas talks, but is expected to join in later meetings.

'Interest shown' in job splitting

ONLY 149 applications for grants under the Government's job-splitting scheme have so far been approved—in spite of advertising costing £338,500, Mr Michael Alison, Employment Minister, disclosed in a commons written reply yesterday.

The scheme—which has been operable for three months—had, however, attracted 9,000 inquiries and "substantial interest" had been shown in it, according to Mr Alison.

كاظم الأعمال

THE WEEK IN THE MARKETS

Currency crisis sets uneasy trends

LONDON

ONLOOKER

The critical condition of the European Monetary System gave the London markets a nervous start to the week. News during Monday of an agreement on a realignment of the eight currencies involved brought short lived relief to sterling standing on the outside.

The pound was soon back on its downward path, touching an all time low of $1.4585 mid-week, amid talk of an upturn in U.S. short-term interest rates, oil price war fears and by-election uncertainty.

But two days later the picture was a little happier. Encouraged by a buoyant Wall Street a much firmer note emerged in the London markets, for both gilts and equities. The FT Industrial Index rallied to finish the week only 4.1 down at 656.9 but sterling remained friendless at $1.4805 with a tradeweighted average 0.8 lower at 78.1.

Progress for Pru

The 1982 results from the Prudential Corporation, Britain's largest life assurance group, showed net profits up nearly 30 per cent to £55.6m, comfortably in excess of most forecasts. Yet the results were greeted with mixed feelings by the market.

The increase in the shareholders' portion of life profits, up 16 per cent to £50.4m was less than expected. In 1981, Pru's actuary had for the first time brought an element of unrealised capital appreciation on assets into his valuation, resulting in a 40 per cent increase in shareholders long-term profits. The market expected a similar increase following last year's strong rise in asset values.

The hopes illustrate that even the stock market experts still do not fully understand the ramifications of an actuarial valuation. Last year's market rise came primarily from the fall in interest rates which affects the value of liabilities as much as it affects assets. In addition, the Pru's actuary would appear to be restricting the growth in bonus allocations to policyholders, and this automatically restricts growth in profit to shareholders.

The pleasant surprise from the Pru was the strong recovery of its general insurance: spearheaded by an exceptional result from Canada—a pre-tax profit of £9.4m. Thus a near £16m pre-tax loss in 1981 was trimmed to £7.3m, the losses from the reinsurance subsidiary Mercantile and General being not quite as bad as feared.

The share price reacted favourably to these results and a 20 per cent increase in dividend. The outlook for the group remains cautiously favourable. Life profits should continue to grow steadily, and the conditions so far this year are more favourable to the general insurance operations.

Cable & Wireless

Cable and Wireless, a name that recalls the pre-war days of the luxury liner telegraph service, this week signalled that it is spending £143m on a near 35 per cent stake in Hong Kong Telephone.

What is now the world's largest international telecommunications operator already generates more than half its profits from its 80 per cent owned offshoot in the colony. The HK Telephone shares are being acquired, at HK$40 each, from Hongkong Land, the property group which bought the shares at up to $32 each at the end of 1981. At that time HK Telephone had been outperforming the Hong Kong market on the back of rumours of a Cable and Wireless bid.

This week's deal, which is being financed by the issue of 30m new C and W shares and £24m in cash, will make the British group the largest shareholder in a company that in 1980 it was suing for overdue payments related to long distance calls.

Cable and Wireless has a 25 year franchise to provide all international telephone and Telex services in Hong Kong, Kowloon and the New Territories. The dispute arose from an arrangement under which HK Telephone receives 40 per cent of the revenue of the colony's overseas calls. The British company shares the rest with overseas telephone services.

The working relationship between the two companies is likely to remain one of competition in some areas and co-operation in others. But the deal has generated speculation over a possible full bid by Cable and Wireless for the Hong Kong company.

Two years ago the British Government sold almost half of Cable and Wireless to private investors at 168p a share. The new shares have been placed at 396p and reduce the Government's holding from 50 per cent to near 45 per cent. Following announcement of the deal the group's shares slipped 5p to 415p.

In 1982 HK Telephone raised its net profits by 28 per cent to HK$272m equivalent to £27.6m. Currently it is trying to persuade the Hong Kong Government, which holds a 20 per cent interest, to vary the statutory limit on its earnings from the present 16 per cent after tax returns on shareholders' funds.

MARKET HIGHLIGHTS OF THE WEEK

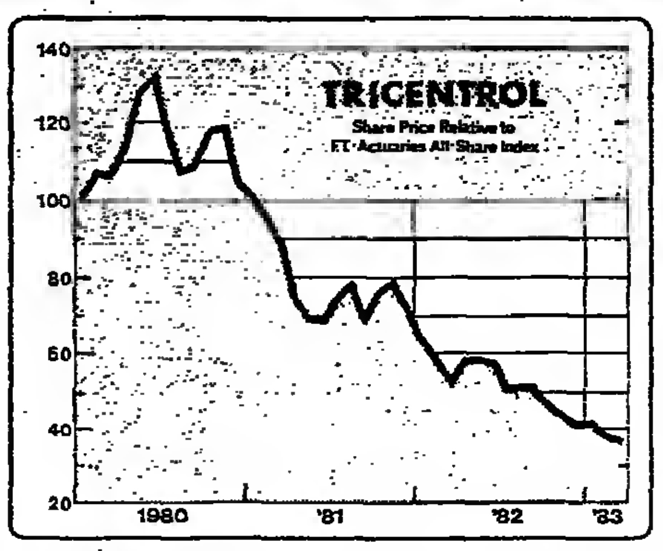
	Price y'day	Change on week	1982/83 High	1982/83 Low	
F.T. Ind. Ord. Index	656.9	— 4.1	673.6	518.1	Leaders narrowly mixed
BICC	233	—27	360	230	Disappointing results
Baltic Leasing	260	+35	262	140	Good interim results
Burmah Oil	149	+17	160	106	Bid speculation
Carpets Int.	45½	+12½	47	10	U.S. takeover prospects
F.M.C.	52	+12	58	28	Milk Board's bid approach
FNFC	45½	+ 5½	48	30½	Broker's circular
Glaxo	820	+115	820	209	U.S. demand/int. April 11
Hollins Bros. & E.S.A.	71	+10	72	6	Asset injection hopes
London & Liverpool Tst.	480	+55	700	39	Proposed Telejector/F.A. deal
Mellins	183	+28	246	6	Speculative demand
Philips Lamps	£11½	+ 1½	£17¼	427	Currency influences
Prudential	400	+22	402	219	Excellent results
Rediffusion	330	+70	330	170	B.E.T. bid for minority
Sheffield Brick	32	+ 7	45	16	Lomaslight cash injection
Trident TV 'A'	101	+11	101	55	Bid approach
UDS	132	+ 9	133	54	Bid battle
Vickers	137	+ 9	171	77	Royal Navy contract
Vitatron N.V.	60	+16	75	20	Bid speculation
Waring & Gillow	135	+40	145	67	Bid approach

Burton bountiful

The Burton Group bounced through the six months to February in fine fettle, leaving profits before tax 26 per cent higher at £18.1m.

Aggressive management and innovative merchandising helped it increase market share substantially and boost sales by 25 per cent to £127.5m. Burton and Top Man increased their turnover contribution by 24 per cent, while womenswear, including Top Shop, Dorothy Perkins, Evans and Peter Robinson, scored a 26 per cent improvement. All this in an otherwise gloomy period for the clothing retail sector as a whole, where sales increased by less than 6 per cent.

The directors expressed their confidence in a still better performance by lifting the net interim dividend from 2.5p to 3.1p. Burton's present coltish is in marked contrast to the group's former sobriety. The addition of floor space will pro. provide an increasing share of growth after the current year, in which pre-tax profits of at



least £32m look possible.

A strong balance sheet should carry the extra weight of expansion without too much trouble. Cash resources of around £12m will be left intact after this year's 60 per cent increase in capital spending to £27m, which will be funded entirely from cash flow.

Ideally, Burton would like to take on board the kind of deal offered by UDS with the Richard Shops/John Collier chain, rather than acquire the abundant available High Street floorspace in piecemeal fashion.

If the UDS deal does come off, Burton's pace should slow a little in the short term, given the effect of financing the £78m consideration agreed with UDS, a working capital injection of £10m and the £40m of capital spending required to upgrade the businesses. But in the medium term, the deal is expected to bring significant profit gains.

Tricentrol Jitters

The abrupt midweek resignation of Tricentrol's chief executive, Graham Hearne, left investors understandably jittery. And the announcement of the preliminary profit figures, only a day later, appears to have provided little reassurance.

Another diversion from the profit figures came in the form of a blunt suggestion from the chairman that Tricentrol might make more waves for the British National Oil Corporation (BNOC) by challenging its right to cut North Sea oil prices retroactively and by refusing to return the $3 difference between the old BNOC price and the $30.50 price which the corporation proposes to backdate to February 1. If only as a negotiating tool, Tricentrol threatened last week to make the matter the subject of a legal dispute.

Against this backdrop, the announcement of a net profit advance much in line with market expectations was a mild event. Pre-tax profits were unchanged on those of the previous year at £45.9m from a 16.5 per cent rise in sales to £183.3m. Operating income moved up from £46.9m to £49.6m, but the increase was offset by a higher interest bill, reflecting the increase in group borrowings which have been used to fund expansion at the North American end of the operations.

Revenues were boosted by currency gains on the weakness of sterling, but this was countered to some degree by higher Petroleum Revenue Tax and Supplementary Petroleum Duty which took up £26.9m against £20.7m in the previous year.

The board has reviewed the method of providing for the change to both production and corporation taxes. Tricentrol seems likely to benefit considerably from North Sea tax changes in the wake of the Budget. These will allow exploration and appraisal costs to be set off against PRT.

The bulk of the income last year came from the group's interest in the Thistle field, where production peaked with an average barrelage of 124,000 b/d. Other income came from Canada—where the contribution was sharply higher—and the U.S. where the group has considerably developed its oil trading activities.

Prices hold firm

NEW YORK

TERRY BYLAND

WALL STREET succeeded in defying most of its own pundits this week when share prices, instead of turning down into a "correction phase" rose to new peaks, while the credit markets took with barely a grimace the first dose of the much-dreaded U.S. Treasury funding programme.

A fall in the Federal Funds Rate proved timely for markets growing steadily more apprehensive as about the growth of basis money supply and the rumours of a change of monetary stance by the Federal Reserve.

But at mid week, the sun broke through the clouds and the Dow Jones Industrial Average soared by 18 points. Market turnover showed a welcome increase although share trading totals of under 100m a day were still well below the best days. Share buyers were encouraged by falls in short-term interest rates at mid week and by the Labor Department's report of a fall in consumer prices last month.

The debate about Federal Reserve policies is by no means over — one market forecast asked when, not if, the Fed would act. But, for the time being at least, the share market is proving resistent to profit taking, correction phases or whatever cautionary views may be put forward. Its faith in the U.S. economic recovery remains firm and interest rate worries are left on the shelf for the present.

The week saw the end of one stock market experiment when Merill Lynch, Fenner and Smith decided to stop making a market in certain exchange-listed stocks. It blamed poor technology and "the rules" for slowing down the venture which it began two and a half years ago.

The strength of share prices at mid-week owed something to window dressing operations by the major funds who like to top up their portfolios with the kind of names that managers like to see in the end of quarter report.

All the well-known names featured in this week's rises. IBM again pushed through the 100 barrier and seemed more firmly placed above it this time. General Electric, Union Carbide and General Motors all joined in the advance.

Shares in American Telephone and Telegraph steadied this week helped by a somewhat more favourable rating of the company's debt securities by Standard and Poor's.

Block trades were reported in a number of major stocks at prices which provided some underpinning for the market advance. Technology issues continued to hold up well.

The announcement yesterday of a hefty new issues programme indicated underlying confidence. Last week brought the successful debut in New York of Biogen NV, the Dutch biotechnology firm. Of favoured area was the much battered farm equipment and supply sector, which responded well to the progress of the Administration's payment-in-kind programme which, the market believes, will at last put some cash in farmers' pockets.

A major beneficiary was Deere, the machinery manufacturer, and there was also determined buying of shares in Anderson Clayton and Archer Daniels-Midland, both in animal feedstuffs, and in Williams companies which sells fertilisers.

But, markets being what they are, there were also losers this week. The pharmaceutical drug industry, which has had its fair share of problems ever since the Tylenol scare in Johnson and Johnson, saw shares in Eli Lilly fall sharply this week after published criticism of its antibiotic drug Moxalactam. The criticisms are a long way from proven yet but antibiotics make up one third of Lilly's sales and the group is still smarting from last year's problems with Oraflex, its drug for arthritis.

Equity markets paused for breath again at the end of the week but if present form is any guide, then the much-vaunted correction phase may be a long time coming. As long as the U.S. economic recovery remains on track, share prices seem determined to hold firm.

MONDAY	1125.29	+ 7.5
TUESDAY	1122.58	— 2.7
WEDNESDAY	1140.87	+ 17.9
THURSDAY	1145.90	+ 5.0

Sons of the Sons of Gwalia

MINING

KENNETH MARSTON

HERBERT C. HOOVER, 32nd President of the U.S. and original manager of the Sons of Gwalia gold mine near Leonora in Western Australia's Eastern Goldfields would have been greatly intrigued at the new gold rush which is revitalising the old mining camp.

He might also have regarded with mixed feelings this week's news of plans to extract the remaining gold from the old mine's tailings, or waste, dumps; no mine manager cares to think that any gold has been thrown away, but recovery methods were fairly primitive back in 1896 when Sons of Gwalia started up.

Gold was discovered in the area by three prospectors who were grubstaked by Tommy Tobias, a Welshman who kept a store in Coolgardie. The Sons of Gwalia mine produced 2.5m ounces of gold between then and 1963 when low gold prices forced its closure.

Whether it still contains enough gold ore of sufficiently high grade to justify opening up the mine is a moot point, but the more recently formed Hawke Mining, which has changed its name to Sons of Gwalia intends to have a look at the old workings.

It is much more interested, however, in reworking the old dumps, which contain some 6m tonnes of material grading an average 1.2 grammes gold per tonne, and in developing an open-pit mine in the area where drilling has so far indicated proven and probable ore reserves of 1.55m tonnes grading 3.21 grammes gold.

The idea is that the dumps will provide an early cash flow while the open-pit is being developed. The latter could have exciting possibilities, being in part of a much bigger area where a cover of soil and weathered rock concealed gold deposits from the old-time prospectors.

Nor has it gone unnoticed that CRA and Esso are busily prospecting on either side of the company's ground. In fact the theory is that this hitherto hidden goldfield in a belt running for 700 kilometres from Wiluna in the north to Norseman in the south could hold for the lucky prospecting companies as many as ten open-pit mining propositions capable in due course of doubling Australia's current gold annual output of some 515,000 oz.

Meanwhile, Sons of Gwalia plans to raise a modest A$2.5m (£1.48m) via a public offer next month of 10m shares at par, or 25 cents (about 15p). These funds will allow the company to get cracking on a four-year programme on 1m tonnes of dump material which grades 1.76 grammes gold per tonne and which is a paying proposition at gold prices above US$225 per ounce.

After the issue the company will have sufficient capital for a year ahead, during which time cash will be generated by the dumps operation, and it will also be free of debt.

A listing is to be sought for the new shares. The publicly quoted Hawke Investments, which provided the present Sons of Gwalia with its gold mining leases will retain 27 per cent of the capital.

South Africa's Rustenburg Platinum Holdings has done remarkably well in the six months to February 28 against a background of a continuing depressed market for platinum. After all, it was as recently as the end of November last year that Mr Gordon Waddell, the chairman, warned that the outlook was still bleak.

To be fair he later said in January this year that operating profits for the six months to end-February should be better than the R32.4m (£20.3m) made in the second half of the company's full year to August 31 1982. In the event they have risen to R66.8m which is also better than the R53.3m earned in the first half of 1981-82.

Rustenburg is now changing its financial year-end from August 31 to June 30 which means, of course, that the second-half results will cover a period of only four months. For the full 10 months to June 30 next the company estimates that operating profits will still "significantly" exceed the R85.8m earned in the previous 12 months to last August.

Until January this year Rustenburg officially based its sales on the producer platinum price of $475 per ounce which had ruled since August 1980. The price on the free market had been much lower for much of the time but it roared up, on the back of gold, to the producer level in January. It is now around $385.

Rustenburg says, however, that a factor in the latest improvement in profits was better prices for platinum. Because the producer price remained unchanged in the period, it seems that the company must have been offering some customers large discounts which later narrowed as the free market prices recovered.

It is also possible that some profitable dealings were carried out in the metal on the futures markets. At all events, the important thing is that Rustenburg appears to have turned the corner and, after some earlier doubts, the 35 cents' annual dividend rate is likely to be maintained.

● Latest news from the exciting Hemlo area gold exploration rush in north-western Ontario is that Noranda is pressing on with the drilling there and has let a contract for shaft-sinking at the big Golden Giant deposit. Despite the dispute with the Lac Minerals group over some key claims a Noranda official has said that it will go ahead, "as long as we are able and it looks as though that is a long way".

● Australia's MIM Holdings is looking to the prospects of the market in Asia for its rising production of lead as a result of the expansion programme. Part of the crude lead output from the big mining complex in Queensland is to be refined in Japan and then marketed in Asian countries via a Singapore-based subsidiary.

● I hear that the prospectus of Greenwich Resources, the new world-wide mining and development arm of the long established Robertson Research petroleum and mining consultancy organisation is likely to be given the necessary approval by the Canadian authorities next week.

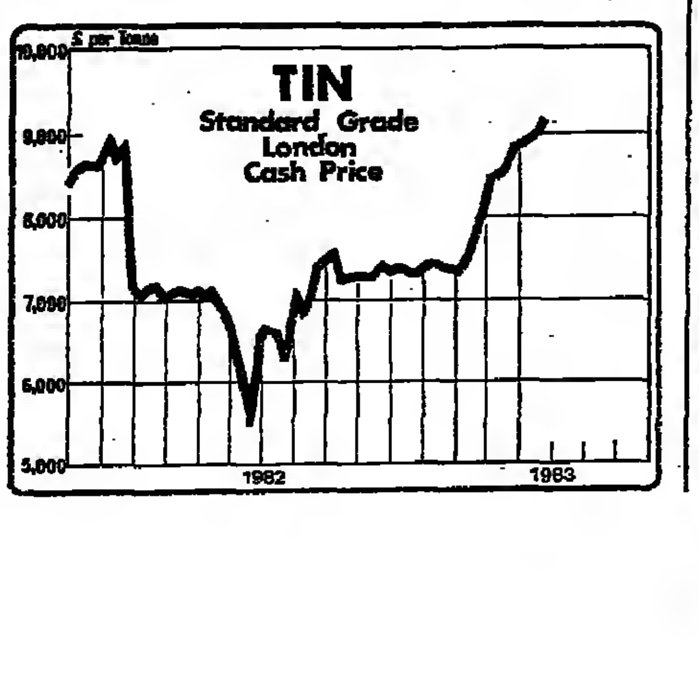
Funds of some C$10m (£5.57m) are to be raised by Greenwich in a public issue of 4m units at about C$2.50 (139p) each. They will comprise one common share plus a warrant to buy half a further common share.

Two warrants will thus allow the purchase of one common share at a price of about C$3 within 12 months. Dealings in Greenwich Resources are expected to begin after Easter.

TIN OUTPUTS COMPARED

	Feb 1983 tonnes	Jan 1983 tonnes	Total to date tonnes	(months)	Same period previous year tonnes
Amal of Nigeria (columbite)	†	†	25	(6)	50
Amal of Nigeria (tin)	†	†	630	(7)	970
Aokam	114	99	759	(8)	891
Ayer Hitam	94	68	764	(8)	1,209
Berjuntai	173	210	2,051	(10)	2,993
CRM Sri Timah	¶	¶	Nil	(2)	123½
Geevor*	66½	70¾	785¾	(11)	†
Gopeng	114	145	719½	(5)	733½
Kiota Kellas	27½	30½	365½	(11)	421½
Malayan	454	557	4,125	(8)	5,574
Pahang	†	†	228	(4)	358
Pelaling	184¾	127	596½	(4)	370
Rahman	82	81½	607¼	(8)	866¾
South Crofty‡	†	†	1,053	(8)	854½
Sungei Best	44	44	755	(11)	826
Tanjong	3½	5½	9½	(2)	22
Tongkah Harbour	57	45	287	(8)	294
Tronoh	36	32	68	(2)	78

* Figures include low-grade material. † Not yet available. ‡ Tin metal in concentrates. Outputs are shown in metric tonnes of tin concentrates. ¶ Shut down because of tin export controls.



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Performance

The Fund, launched in December last year, has a portfolio small enough to be flexible. In the eleven weeks from the close of the initial offer to 21st March, 1983, the offer price of units increased by 28.4 per cent, compared with a sterling adjusted rise of 16.4 per cent. in the Dow Jones Industrial Average and a similarly adjusted rise of 16.1 per cent. in the more broadly based Standard and Poor's Composite Index.

Currently, the Fund is concentrated in fewer than 25 shares of companies in the retail, technological, financial services and medical care areas, for which strong earnings growth is predicted over the next few years. However, the Fund is not restricted to stocks of this type and, if investment conditions alter, the portfolio will be changed—if necessary, substantially—to reflect the new circumstances.

The price of units, and the income from them can go down as well as up.

The Managers

Mercury Fund Managers is a subsidiary of Warburg Investment Management, whose parent company is S.G. Warburg & Co. Ltd., one of the leading merchant banks in the City of London. Warburgs has over £4,500 million of funds under management and Mercury American Growth Fund is managed by the team responsible for its investments in the United States.

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MERCURY

Mercury Fund Managers—part of S.G. Warburg & Co. Ltd.

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The minimum initial investment in Mercury American Growth Fund is £1,000. Subsequent investment may be made in amounts of at least £100.

Units may be purchased or sold back at offer and bid prices calculated daily. Prices and the yield will be published daily in the Financial Times and The Daily Telegraph but without responsibility for any error in publication or non-publication.

Management Charges: an initial management charge of 5% is included in the offer price of units. The annual management charge is [illegible] (plus VAT) of the value of the Fund, which is deducted from the income of the Fund. On giving three months' notice, the Managers would be permitted to increase this charge to a maximum of 1½% (plus VAT). The Managers are entitled to a rounding adjustment included in the bid and offer prices of up to [illegible] or 1¼p, whichever is the less.

Income net of basic rate tax is distributed to holders of distribution units half-yearly on 15th June and 15th December commencing on 15th June, 1983. The Managers also offer accumulation units.

Yield: on the portfolio as at 21st March, 1983 the estimated gross yield was 0.75% per annum.

The Managers are Mercury Fund Managers Ltd. (MFM), a subsidiary of S.G. Warburg & Co. Ltd. MFM is a member of the Unit Trust Association. The Trustee is Williams & Glyn's Bank plc. The Fund is a U.K. Authorised Unit Trust and a "wider-range" investment under the Trustee Investments Act, 1961.

Trust Deed: the Managers and Trustee are permitted under the terms of the Trust Deed to execute, at a future date, a Supplemental Deed to allow the writing or purchase of Traded Call Options or the purchase of Traded Put Options on behalf of the Fund.

To: Mercury Fund Managers Ltd., 30 Gresham Street, London EC2P 2EB.

(Registered Office: registered in England No. [illegible])

I/We wish to purchase accumulation/distribution* units in Mercury American Growth Fund to the value of

£

(minimum initial investment £1,000) at the offer price ruling on receipt of my/our application.

A cheque made payable to Mercury Fund Managers Ltd. is enclosed.

I/We declare that I am/we are over 18 years of age.

BLOCK CAPITALS, PLEASE

Surname (Mr. Mrs. Miss. Title) ____

Forenames in full ____

Address ____

____ Post Code ____

(Payments and correspondence will be sent to this address unless you specify otherwise)

Signature ____ Date ____

(In the case of joint applications, all must sign on a separate piece of paper)

This offer is not open to residents of the Republic of Ireland.

*Please delete as appropriate—otherwise distribution units will be allocated.

FT 26/3

YOUR SAVINGS AND INVESTMENTS—1

Rosemary Burr reports on where to buy shares

Warmer north of Watford

NOBODY LIKES being charged twice for a product nr service so the news this week that Barclays Bank is considering putting a surcharge on shares bought via the bank is likely to lead to customers rushing for the door.

Barclays Bank says it is considering introducing a £5 fee on deals worth less than £1.500 in order to make these transactions profitable. So far no firm deciaion has been reached but the three other major clearers say they have no plans to introduce charges.

At the moment banks do not charge customers for buying shares so it is no more expensive than approaching a broker directly. The banks get paid 25 per cent of the hrokers commission for introducing the business and doing a certain amount of paperwnrk.

Other agents such as eccountants also get a slice of the commission if they introduce clients. However, unlike hanks, these agents do not share io the first £12.50 of commission. It is therefore not worthwhile for most agents to pass on small investors to stockbrokers.

The reaction to Barclays' proposal among the Investment community has been mixed. Graham Mann, a partner at City brokers Grievson Grant, says: "My initial feeling is that here ia public recognition that people don't make too much money out of small bargains."

Other brokers expressed amazement and some were even outraged. Most, however, rubbed their hands at the prospect of more business coming their way. Several went so far as to argue that they saw no good reason for anyone buying shares through their bank. "Customers end up paying for advice they don't get," argues one broker.

In fact there Is no way of knowing just how much commission you will pay on a bargain of less than £300 when the business is conducted through a bank. Although the Stock Exchange sets commission rates it is up to individnal brokers to decide how much they charge small clients whose deals fall beneath £300.

There is a wide variety of chargee with many provincial brokers providing their services for a single figure sum while the minimum cost from moat City firms is in the £12 to £15 range.

A further complication for hank customers is that some brokers who derive a large proportion of their husiness from banks may offer special cut-price rates on small deals as a sweetener to attract other business. So the message is, if you choose a bank, do try to find out how much commission you will be charged. Try to ahop around and compare the rates and services of several hrokers.

If you are a small investor beware: the warmth of the reception you receive probably grows in proportion to the distance from the City.

Most provincial brokers welcome small clients, even those dabbling with £100. Terry Brewster, a partner In Roy James and Co of Birmingham, says: "we never turn away a client because of size."

The majority of the company's business is private clients unlike most of the City firms which make a living by catering for the big institutions. Roy James and Co charge £7 on a transaction between £100 and £300 and £4 on deals between £25 and £100. Their clients come from around the country Including London and the South East.

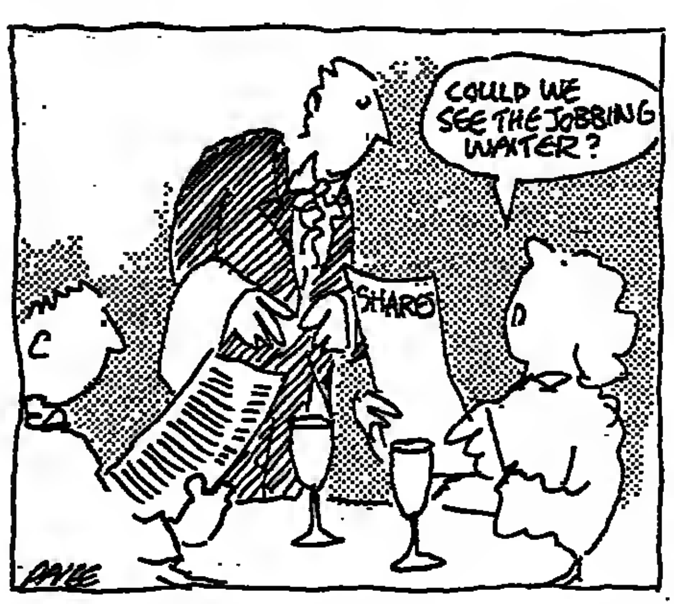
Lower rents, rates and smaller research staff usually enable provincial borkers to cover their costs on small deala easily while the iCty slickers find this type of business unprofitable.

Brian Bibby, the partner who deals with finance at Manchester brokers, Henry Cook Lumsden, says "obviously expenses are lower in the provinces—certainly rents and rates." The firm charges £5 on deals beneath £50, £8 on those of £50 tn £100 and £10 on those between £100 and £300.

But is this merely a case of clients getting what they pay for? Undoubtedly not all provincial brokers can buy or sell shares at the most favourable rates on the Stock Exchange floor, although some get round this by direct links with jobbers.

Also unlike the large City brokers country firms do not have armies of researchers. Against this they are more likely to provide a personal service and be particularly suitable to the small punter who wants to make up his own mind while enjoying dealing actively.

In the meantime Barclays asys no decision on the introduction of the surcharge has been made, so it is up to hank customers to make their feelings heard at head office. Of course, the bank may be prepared for crowds of disgruntled customers, hut surely it does not want to hand over its business to the other clearers on a plate.



The £137,000 question

THE RECENT tragic death of merchant banker, Sir Trevor Dawson, who killed himself only hours before £137,500 worth of life insurance policies expired has raised the interesting question of the circumstances under which life companies pay out in the event of a violent death.

The case where the life assured is murdered by a person who stands to gain from the life assurance Is clear cut. It is against public policy for a criminal to henefit from the proceeds of his crime.

Thus a life company would give very serious consideration before paying a claim where say a wife killed her husband for the life insurance proceeds.

One effect of the growth of company pensions and life assurance is that many of us are now worth far more dead than alive.

The only exceptions to this occur if the policy is under trust to aay children, or is assigned, so that someone else receives the benefit of the life assurance.

The position Is somewhat different where the death is regarded as suicide. For since the 1961 Suicides Bill, suicide is no longer a criminal offence. So what happens?

Some life companies do put suicide clauses in their life policies stating that the policy is null should death occur by suicide during the first 13 months. This unusual period ia to ensure that at least one monthly premium in the second policy year has been paid and there is 30 days grace in paying premiums.

Sir Trevor Dawson

These life companies would find it very difficult not to pay out if suicide occurred after the 13 months, unless there was strong evidence of non-disclosure in the proposal form.

Those companies without a suicide clause have to take into account the public policy of rebutting the claim on the grounds that the life assured had destroyed the subject matter of the contract.

This formed part of the dicta of the classic case of Beresford versus Royal Insurance, where a Major Rowlinson committed suicide in a taxi in 1934 having drawn the taxi-driver's attention to the time by Big Ben prior to shooting himself.

Having said this, at the end of the day life companies usually pay on suicides. The main reason for not paying is not the fact of suicide, but the non-disclosure of medical history or financial problems in the original proposal.

This happened in the case of a farmer, D. J. Horwood, who insured himself for nearly £1m with Royal Insurance and died of gunshot wounds. He was heavily in debt at the time of taking out the proposal, but failed to disclose this when asked at the time.

Eric Short

A transfer of chattels

FINANCE AND THE FAMILY

BY OUR LEGAL STAFF

I should like to make over some furniture to my sons—as per your reply of January 22—under Transactions as a sham. Could yon please advise me how formal this transfer has to be? Is it sufficient for me to write this out, and if so what should the wording be? Should it be witnessed? It is planned thet I should continue use of the property until perhaps I move into a smaller house. (The chattels will all be nld family "heirlooms"). In the case of a picture worth more than £3,000 can I make out a share each year—i.e. if £12,000 is the valne then can I give this over the course of four years?

Provided the chattels are your own unencumbered property (ie not strictly heirlooms) all that is necessary is some record of the gift. A written declaration simply recording that the gift was made on a stated date is enough—though it may be prudent to have it witnessed by aomeone who Is not a donee. It is also essential that the gift be made hy actually handing over physically some chattel or symbol of control nf the chattel. We are doubtful ahont your suggestion as to the picture, unless it is put into a trust fund as an asset and an Interest in the trust fund is transferred instead.

Indexation of CGT

1—In 1960 I became the owner of some real property. Last November I sold the property which has made me liable for capital gains tax. Last year they introduced a RPI which could be used in assessing its value at the time of sale. Can you kindly advise me of any claim under these rules to reduce my tax liahllity?
2—In November 1982 I sold shares making a gain of £5,863 over the 1965 Budget Valne. Can yon please advise me how the gain is affected by index allowance? What is the calculation?

Your indexation allowance will be 41 per mille of the cost of the property. Time-apportionment is applied to the net gain, after reducing it by the indexation allowance.
We take it that you mean that the sale contract was signed in November. However, if you were referring to the completion date, and the contract was actually signed In an earlier month, the rate per mille will be less than 41:

Contract month:	Apr	May	Jun	Jul/Aug	Sep	Oct
Indexation (per mille):	20	27	30	31	30	35

You simply reduce the gain (£5,863) by 41 per mille of the 1965 value.

Complaints about bonfires

With reference to your reply under "Complaiots about bonfires" (December 11, 1982), I have checked relevant legislation, or wbat is apparently relevanl e.g. the Clean Air Act and the Control of Pollution Act. In so doing I came across the Public Health (Recurring Nuisances) Act, 1969, and it occurs to me that complaints abont bonfires and/nr nfficial action relating to them might be based on this Act. Would yon agree?

We think that the Puhlic Health (Recurring Nuisances) Act 1969 would not apply to bonfires except possibly where industrial waste is burned. Apart from the difficulty of applying this Act—see Peaty v. Field/1971/1WLR 387—it is limited in its application to statutory nuisances viz. those within Section 92 of the Puhlic Health Act 1936; tbese do not include ordinary bonfires.

Non-residents tax

**I returned to live in the UK on June 30 1982 after having lived abroad for eight years during which I was classified as "Not Resident and not ordinarily Resident." I recently received a letter from the Inspector of Taxes advising me that he will be raising an assessment on my bank and Treasury Stock interest (paid withoot dedcction of tax) for the year ended April 5 1982.
I am clear ahont the bank interest hut 1 had always assumed that the Interest from exempt Treasury Stock would not give rise to any tax charge retrospectively.
May I have yonr comments?**

It is a pity you did not give us more precise facts and figures, including the name of the country you lived in (hecause the double taxation agreement with that country may help you, if there is one).

On the bare facts, all we can do is to advise you to appeal against the proposed assessment, on the grounds that you are entitled to exemption (under section 99 of the Income and Corporation Taxes Act 1970) in respect of all interest paid on your Treasury Stock before you became ordinarily resident in the UK once again.

Interest not taxed

**An assessment of untaxed interest on me was as follows:
1st year 1979/80—Actual interest £715
2nd year 1980-81—Actual interest £3,735
3rd year 1981-82—Previous years £3,735
4th year 1982-83—Previous years £3,984
The actual interest in 1982-83 will be £900 so my income for 1982-83 will be overstated by £3,084 which will be taxed at 55 per cent.
In an attempt to improve things I closed the deposit account and asked for the year 1962-83 to be treated as the year of cessations. This is inconvenient to me as I need a deposit account.
Could I npen another deposit account immediately? I would in fact prefer a deposit account where the tax is deducted et source and evoid these complications. Can you make any suggestions?**

Yes, you can open another deposit account straight away. The 1982-83 assessment will be amended to the amount of interest actually credited in 1982-83 (on each of the two accounts), and the 1981-82 assessment will consequently be increased to £3,984. For the future, you could either close (and open) accounts every four (or five) years or insist on the case III assessments being made upon the statutory basis (as confirmed in Hart v Sangster), with each deposit and each withdrawal being treated separately.

A surviving trustee

I was interested In your reply (February 26) under the heading A Surviving Trustee, where yon Indicated that "Stock transfer forms would not be necessary..". What other procedure do yon suggest, please, to ensure that dividends etc. are issued In the correct names and, more importantly, in the event of the death of one trustee, to ensure that the new, surviving trustee has a legal title to the shares etc. involved?

It should be sufficient to lodge with the company's registrers evidence of the change in the trustees i.e. a death certificate or the deed of appointment of a new trustee; and request that the register of members be amended accordingly.

Valuables in safe-keeping

Could you tell me please if a bank goes into liquidation, has the receiver in, is suspended or generally falls over, what is the strict legal position regarding my box containing valoables kept for security reasons in my local branch?

While the various disasters which you mention have different legal consequences, in all cases they would not affect your box of valuables if by security you mean safe-keeping rather than as a security fnr a loan. The box kept for safe-keeping is not an asset nf the bank and has to be returned to you, though yon may be required first, to pay any charges incurred for the safe-keeping of the box.

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post os soon as possible.

Liabilities of residents

Our residents association has acquired a petrol-driven lawn scarifier which we propose to loan to members on payment of a nominal fee, receipts to be used to defray the running and maintenance costs we incur. We also have it in mind to buy ladders or scaffold frames for loan to members in the same way. Could you please advise us on the steps we should take in relation to the insurance and legal liability aspects of what we propose?

You would be wise to consult an insurance broker, since there are a number of potential areas in which claims could arise. You may find that a public liability policy coupled with express contractual disclaimer of liability to the borrowing members (in a contract signed by them) will be as much as you can achieve without a prohibitive outlay in premiums. You may also need to nbtain members' express agreement not to allow any person other than the member to use the items hired out.

BUILDING SOCIETY RATES

	Deposit rate %	Share accounts %	Sub'pn shares %	%	Others
Abbey National	6.00	6.25	7.50	7.25	1-year high option, 7.25 6 years sixty plus, 6.75 min. £100, 7 days' notice no interest lost
Aid to Thrift	7.00	7.25	—	—	
Alliance	6.00	6.25	7.75	7.25	3 years Money Monthly £1,000 min. Interest paid monthly
Anglia	6.00	6.25	7.25	7.25	3 yrs., 2 mths.' withdrwl. notice
Birmingham and Bridgwater	6.00	6.25	7.75	7.25	Extra Interest Shares
Bradford and Bingley	5.75	6.25	7.25	7.00 / 7.25	1 m. not. or on dem. (int. pen.) High L a/c 3 m. not. (no pen.)
Britannia	6.00	6.25	7.25	7.25	Option Bond, 7.25 2 mths.' not.
Cardiff	6.00	7.00	7.75	—	
Cardiff	—	*7.50	—	—	* Share a/c bal. £10,000 & over
Catholic	6.00	6.50	7.50	7.50	6 months' deposit, £500 min.
Century (Edinburgh)	6.50	7.00	—	8.00	2-4 years
Chelsea	6.00	6.25	7.25	7.70	3 yrs., £1,000 min. im. wdl. pen.
Cheltenham and Gloucester	6.00	6.25	7.25	—	
Cheltenham and Gloucester	—	7.25	—	—	Gold Account—savings of £1,000 or more. No notice—no penalty
Citizens Regency	6.00	6.50	6.00	7.50	3 yrs. Double Option shs. 7.40
City of London (The)	6.25	6.60	7.50	8.00	£10,000-£30,000, monthly income, 3 months' notice no penalty
Coventry Economic	6.00	6.25	7.50	7.75	4 yrs., 7.50 3 yrs., 7.25 3 mths.
Derbyshire	6.00	6.25	7.50	6.75-7.35	(3 months' notice)
Greenwich	6.00	6.50	7.75	7.75	2 yrs., 7.50 28-day pen./notice
Guardian	6.00	6.50	—	6.25	6 mth., 7.75 3 mth., £1,000 min.
Halifax	6.00	6.25	7.25	7.25	Extra Interest Plus, 3 months' wdl. notice or loss of interest
Heart of England	6.00	6.25	7.50	7.00	1 mth. not., 7.25 flexi. tm. 3 yr.
Hemel Hempstead	6.00	6.25	7.50	7.75	3 yrs., 7.50 3 months
Hendon	6.50	7.25	—	8.00	6 months, 7.75 3 months
Lambeth	6.00	6.50	7.75	8.00	6 mths., 7.75 28 days, 7.25 3 m.
Leamington Spa	6.10	6.35	6.60	—	
Leeds and Holbeck	6.00	6.25	8.00	7.75	5 yrs., 3 mths.' interest penalty
Leeds Permanent	6.00	6.25	7.25	7.25	HRA5, 7.00 E.I. a/c £500 min.
Leicester	6.00	6.25	7.25	7.25	3 yrs., 7.25 3 months
London Grosvenor	6.00	6.60	8.50	7.10	3 mths.' notice 1 mth. int. pen.
London Permanent	6.00	6.75	—	7.50	1 m. not. or on dem. (int. pen.)
Midshires	6.00	6.25	7.50	7.25	1 year, 3 months' notice no pen.
Mornington	6.80	7.30	—	—	
National Counties	6.25	6.55	7.55	6.00	28 days, 8.25 6 mths., £500 min.
National and Provincial	6.00	6.25	7.25	7.50	3 years, 7.00 1 month
Nationwide	6.00	6.25	7.25	7.25	3 yrs., £500 min. imm. wdl. with penalty. Bonus a/c 7.00 £500 min. imm. wdl. with penalty
Newcastle	6.00	6.25	7.50	7.75	4 yrs., 7.25 28 days' notice, or on demand 28 days' int. penalty
New Cross	6.75	7.00	—	7.00-8.00	on share accs., depending on min. balance over 6 months
Northern Rock	6.00	6.25	7.50	7.00	High Int. sh. 7.25 Prem. share
Norwich	6.00	6.25	7.50	7.25	3 yrs., 7.00 2 yrs.
Paddington	5.75	6.75	6.25	7.25	7 days' notice
Peckham	6.75	7.00	—	7.50	2 y., 8.00 3 y., 8.50 4 y., 7.25 Bns.
Portman	6.00	6.25	7.75	7.00	1 mth., 7.25 6 mths., 7.25 5 yrs.
Portsmouth	6.35	6.55	8.05	8.40	5 yrs., 8.00 6 mths., 7.50 1 mth.
Property Owners	6.25	6.75	8.25	8.25	4 yrs., 8.25 6 mths., 7.75 3 mths.
Scarborough	6.00	6.25	7.50	7.25	Money Care + free life ins.
Skipton	6.00	6.25	7.50	7.00-7.15	(1 mth.) 7.25 3 yrs.
Sussex County	6.15	6.40	8.15	6.90-7.90	all with withdrawal option
Sussex Mutual	6.25	6.50	8.00	6.75-8.00	
Thrift	6.15	7.15	—	9.15	5 yrs. term. Other accnts. avail.
Town and Country	6.00	6.25	7.50	7.50 / 7.50	3 yrs., 60 days' wdl. notice / imm. wdl. 28 days' interest loss
Wessex	6.25	7.30	—	—	
Woolwich	6.00	6.25	7.25	7.25	90 days (int. loss), 7.25 Special Interest Shares 90 days' not. or imm. wdl. with 90 days' int. loss (min. £500), 7.00 immed. wdl. 28 days' interest loss
Yorkshire formerly Hnddersfield & Bradford and West Yorkshire	6.00	6.25	7.25	7.25	5 Star Bond min. £500, 2 mths.' not. with pen., 7.25 Golden key imm. wdl. 28 days' pen. interest

All these rates are after basic rate tax liability has been settled on behalf of the investor.

SAVINGS OFFERS

THE ALLIANCE TRUST PLC

RECORD EARNINGS & ASSETS

RESULTS FOR THE YEAR TO 31ST JANUARY 1983

Per 25p Ordinary Stock Unit		Change on 1982
Net Asset Value	560.1p	+40%
Earnings	12.70p	+9%
Dividends	12.30p	+9%

- Net Asset Value increased by 40% compared with an average for all investment trusts of 27% as published by The Association of Investment Trust Companies.
- The Valuation of Assets rose by £80 million to £292 million.
- £19 million additional investment in overseas equities and currencies financed by sale of UK equities.
- Investment policy emphasises self-financing industries and companies with above-average growth prospects and strongest balance sheets.

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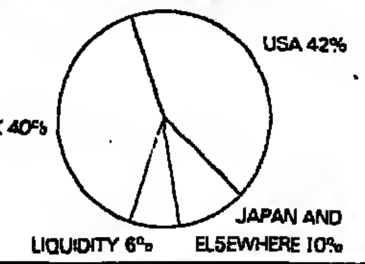

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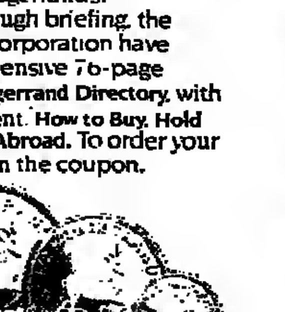

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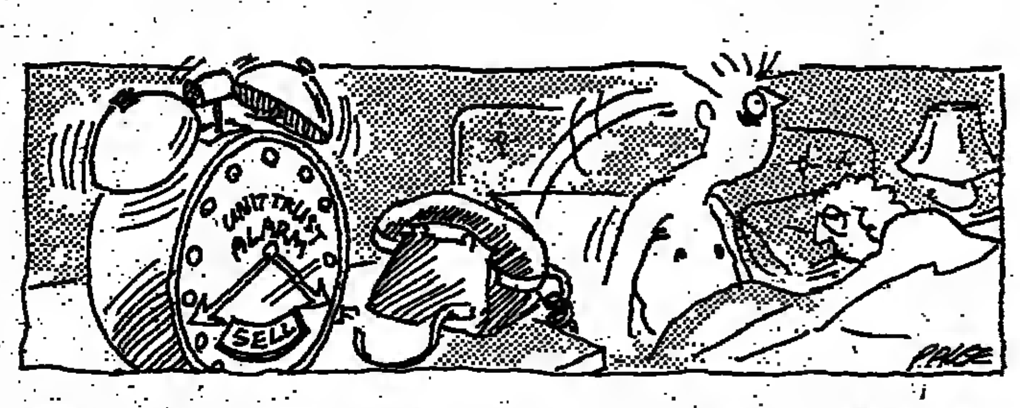
YOUR SAVINGS AND INVESTMENTS—2

What to look for when choosing a unit trust . . . a report by Rosemary Burr

Specialist funds: the risk factor

INVESTORS are bombarded by advertisements and promotional literature through the post purporting to offer them the key to a small fortune. For the individual without access to expensive professional advice this diversity of investment opportunities can turn out to be a minefield.



The vast majority of these advertisements are for specialised investment vehicles. This is because highly specialised areas tend to be more volatile than, say, a general spread of equities and with this volatility can come higher than average returns. The trouble is that what goes up fast can fall in price just as swiftly.

January's performance figures for unit trusts provide an excellent example of this trend. Several Australian trusts have risen by around 20 per cent in January alone according to Money Management. However, *investors who had placed £1,000* in some of these Australian funds a year ago would be show*ing a small loss* in money terms and nearly 9 per cent. loss if adjusted for inflation.

As Mark St Giles, chairman of the Unit Trust Association (UTA), explains: "In overseas funds there are two elements that can move the price—currency and market trends. Currency has been a major factor in recent years. It has tended to work in investors' favour as the pound has been declining, but in 1980-81 sterl*ing* was rising very strongly."

So shareholders who opt for overseas markets have to keep a close eye not only on the international foreign exchange markets but the particular stock market they have chosen. As St Giles points out: "The two factors don't necessarily work in synchronisation. As a consequence trading has a tendency to be more volatile."

The problem of choosing a unit *trust is particularly* acute with more than 500 trusts, many of which are specialised funds. Despite the almost universal move in the industry towards launching and promoting *specialised funds* about 69 per cent of the total of £8.7bn under management remains in general funds according to the UTA.

Even a comparatively new group like Henderson—which has a stable of highly specialised funds and markets these almost exclusively through intermediaries—still has about half its near £500m under management in general funds.

However, general funds are rarely advertised, so investors scouring the media for best buys are likely to have their attention caught by details of the latest fad in specialisation.

This raises the question of who should opt for a specialised trust? Tony Doggart, marketing director of Save and Prosper, says: "The kind of person who invests in a specialised fund should be someone who is prepared to be active, perpared to switch, rather than someone simply putting money away."

If you opt for a specialist fund, it requires constant attention and sometimes strong nerves as you ride out the peaks and troughs often associated with commodities, gold or international trusts. For most people without the time or inclination to follow overseas markets a sound professional adviser who you can rely on to switch when necessary is essential for peace of mind.

If you do decide to place some of your funds in a specialist trust it is best to restrict the percentage unless you are prepared to gamble all your savings. Opinions obviously differ on the how much it is appropriate to place in specialised funds.

Britannias' managing director Stuart Goldsmith argues: "Specialised funds should only form part of your portfolio. Do not have more than 5 per cent in highly volatile markets like Australia and Hong Kong."

Not all groups favour the trend towards specialisation and some claim that the majority of their trusts are general funds. Perpetual and Framlington are two such groups, both of which boast impressive performance figures.

Framlington's Tim Miller feels: "The very essence of a unit trust is to provide a spread. I think this matter of spread is very important for the protection of unit holders. None of ours are specialist in the narrow sense. The most specialist are the two recovery funds."

This question of degrees of specialisation is intriguing. Last year the Unit Trust Association considered a scheme by which an academic would analyse the five-year track record of each trust and rate its level of risk by a star system. This was shelved after being attacked in the Press as theoretically unsound.

However, there are still some fund managers who feel the public is entitled to more guidance on this issue. At the moment under UTA regulations managers must say that the price of units, and the income from them, can go down as well as up. In addition, a further health warning is required on commodity funds.

The UTA's Tony Smith explains that such funds are required to add that the returns can be volatile and the funds should not form the whole of a client's investment portfolio.

Gartmore have gone rather further and put a similar caveat in their ads for gold, Hong Kong and Australia. It would be a good idea if the UTA insisted that this was standard practice in the industry.

Adrian Collins at Gartmore would like to see the UTA introduce a new scheme of judging the volatility of the market rather than the fund. Under this system all Hong Kong funds, for example, would carry a warning of high volatility.

For the present, it is up to individuals to make their own assessments. By carefully constructing a portfolio including specialist funds it should be possible to get the best of both worlds. But do remember that unit trust groups never advertise when it is time to sell.

More trouble on the Rock

MORE PROBLEMS for UK investors who stuck their necks out and invested in bonds marketed by offshore insurance companies.

Hot on the heels of the Signal Life troubles comes news that bondholders holding certain Energy Bonds marketed by Cavendish Life have not *received their first interest* payments.

Cavendish Life, like Signal Life, is registered in Gibraltar. It was originally owned by Oxford Marketing and Trading registered in the Bahamas under Partick Di Carlo. Its products were marketed in the UK through Cavendish Life Assurance Services (UK).

In October 1981, the company aunched a new series of Energy Bonds—the Cavendish Energy Bond. This was an income bond that offered a basic return *of* 12½ per cent per annum with a return of capital at the end of the five year life of the bond.

The investment policy was that of Cavendish Life would purchase UK medium dated gilts to assure the return of capital. Funds not committed to the gilt portfolio would be invested in Parkford Petroleum Inc. Money would be in producing oil wells, not used for exploration.

The trustees to the bond are the Hongkong and Shanghai Bank Trustee (Jersey), which was also trustee for the Signal Life Gold bonds.

The interest was paid annually in the arrears, so the first payments were due in November 1982. No such payments have taken place. What has happened?

Mr Graham Richardson, managing director of the trust company, confirmed that the bank has not received any payments from Parkford Petroleum and thus has not been able to make the interest payments. But what has happened *to the gilt holdings?* Surely there is interest payments from these assets?

The Bond Investment clauses gave Cavendish Life the right to sell the gilts and invest the money in proven oil reserves which on an independent valuation had a market value of at least 175 per cent of the gilts sold.

Mr Richardson confirmed that such a transaction took place in August 1982 following the procedure laid down in the investment policy.

Bondholders may well feel amazed at such a transaction going through. The original literature on the Energy Bond started its forecasts on an oil price of US$40 a barrel and went up to US$69.5 a barrel. Oil prices are now US$29 a barrel.

It is difficult to judge this investment action now when one has the benefit of hindsight. But even last August the news from Opec and the oil producing industry would have urged caution on such a switch.

But this is not the end. There have been changes in ownership of Cavendish and changes in manager. Mr Richardson believed that the life company is still owned by Oxford Marketing and Trading under Patrick Di Carlo. Mr Roy Benham of Overseas Underwriters who were appointed managers is not certain.

There is also a question mark over Parkford Petroleum and who is actually running the company at present.

Mr Richardson has recently received a letter advising the trustee that Parkford is seeking reorganisation under the Federal Bankruptcy Statutes —

The last annual report of Parkford filed with the Securities and Exchange Commission in February 1982 for the year ending September 30, 1981 listed nearly 11,500 shares issued owned by a series of individual and corporate bodies, including Cavendish Life and Patrick Di Carlo. Mr Richardson believes that Cavendish is still a shareholder, but that Di Carlo may have sold out to Capital Star Petroleum Inc of California.

The New York office of the Financial Times contacted the American Petroleum Institute and it had no knowledge of Parkford. The listed number of Parkford in Newport Beach, California was answered by a girl operating a telephone answering service and informed that Parkford had changed its name to Praire Oil—one of its subsidiaries. Further contact has proved difficult.

The story so far has a frightening similarity to the events of Signal Life and its Gold Bond. So what are the trustees doing?

It has appointed U.S. lawyers in Oklahoma, where Parkford's main operations are situated and in California, where Parkford has its administration offices. The trustees hold the promissory notes and the UCC (which give the entitlement to the oil produced) and have arranged for the land and the oil assets to be revalued by an independent valuer. This report should be due soon and it may show just how bad Parkford has been hit by the recession in oil prices.

Bondholders are entitled to ask the trustee about the security of their interest payments and why the trustee did not discourage the investment switch.

Mr Richardson points out that the trustee has not made a guarantee. The Bond is not a guaranteed income bond — Cavendish Life used the word "assured" to describe the income payments. To the average Bondholder this is mere semantics.

Mr Richardson also emphasises that the changeover was made in accordance with the terms of the Bond and the trustees were not aware that the changeover would have been detrimental to bondholders. Bondholders will make their own judgment on the investment acumen of the trustees.

Continuing the parallel with Signal Life, is the Hongkong and Shanghai Bank going to launch a rescue operation and buy in the Cavendish Energy Bonds from Bondholders? Even if Parkford does get back on an even keel, there is some doubt that, given the present low prices of oil, the bond payments could be met in time or in full.

But Mr Richardson stated that it was not proposed to buy in the bonds.

Indeed, the trustee has not yet informed bondholders generally of the position, though a draft letter is under consideration. He is however explaining the situation to those bondholders who contact him.

Bondholders concerned about their position should do just that. They shuld also be contacting the intermediaries who sold them these bonds. Collective action is more likely to produce results than individuals acting separately.

Eric Short

Luck of the Irish

IN THE WORDS OF an investment manager only the Irish could choose this week to launch a currency fund. While the European Community finance ministers struggled to realign the European currencies and sterling was continuing on its downward slide John Conway of the Investment Bank of Ireland was announcing an international currency fund.

This offering from the merchant banking arm of the Bank of Ireland, is the first such fund to be launched by an Irish financial institution. The format is the now familiar offer for subscription of participating redeemable preference shares in four major currencies of U.S. dollars, D-Marks, yen and sterling and a managed fund.

Though denominated at U.S. 1 cent each the shares will cost the investor £10 each, or its equivalent, with the minimum entry cost at £5,000 for the currency shares and £1,000 for the managed shares.

Applications cannot be made in Irish punts. But as the fund qualifies as a security it is likely to attract some sizable investment from Irish citizens who cannot leave money in an ordinary deposit account overseas.

The offer opened on Tuesday with some £4m already committed, and closed yesterday after which further shares can be purchased through the IBI Managers on the Isle of Man. With up to 50m shares on offer there is little chance of a shortage as at the offer rate they would represent a total of £500m: a not insignificant sum in terms of the Irish Republic's economy.

Monies raised will be invested mainly in deposit and money market instruments maturing, normally, within six months. As with all currency funds the aim is to maximise gains from the best interest rates while taking advantage of currency movements.

ART GALLERIES

AGNEW GALLERY, 43, Old Bond St., W1. 01-629 6176. A CENTURY OF PRINT PUBLISHING, 1817-1917. A selection of prints published by Agnew. Until 29 April. Mon.-Fri. 9.30-5.30.

AGNEW GALLERY, 43, Old Bond St., W1. 01-629 0176. DAVID ROBERTS, R.A., Original Coloured Lithographs of the Holy Land. Until 31 March. Mon.-Fri. 9.30-5.30.

ALLANS GALLERY. HAND EMBROIDERED SILK PICTURES are an untapped source, why not start a collection while prices are still below their true value. See the modern and antique Chinese Embroideries on the Lower Ground Floor of Allans Famous Silk Shop 56-58, Duke Street, Grosvenor Square, W1. Mon.-Fri. 9-6, Sat. 9-1.

BROWSE & DARBY, 19, Cork St., W1. 01-734 7984. FRENCH & BRITISH Paintings, Drawings & Sculpture.

FIELDBORNE, 63, Queens Grove, NW8. 01-493 1572/3. CONTEMPORARY PAINTINGS ON VIEW. Mon.-Fri. 10-5 and Sats. 10-12.45.

LUMLEY CAZALET, 24, Davies St., W1. 01-499 5058. ORIGINAL PRINTS by Braque, Matisse, Miro, Picasso, etc.

RICHMOND GALLERY, 8, Cork Street, London, W1. An exhibition of paintings of GASTON DOMERGUE, 1855-1927. Mon.-Fri. 10-6, Sat. 10-1. 01-437 6264.

ROYAL INSTITUTE OF PAINTERS IN WATERCOLOURS at the Mall Galleries. The Mall, SW1. Open daily inc. Suns. and Easter 10-5. Adm. 50p. Until 4 April.

THACKERAY GALLERY, 18 Thackeray St., Kensington Sq., W8. 01-937 5883. JOHN BRATBY. Until 15 April.

WHITECHAPEL ART GALLERY, E1. 377 0107. Tube Aldgate East. To 10 April WHITECHAPEL OPEN EXHIBITION. Sun.-Fri. 11-5.50. cl. Sat. & 1-4 April. Free.

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COLNAGHI, 14, Old Bond Street, London, W1. 01-491 7408. ENGLISH ANCESTORS. Until 31st March. Mon.-Fri. 10-6, Sats. 10-1.

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Name and description	Size (£m)	Current price	Terms*	Conversion dates♣	Flat yield	Red yield	Premium† Current	Premium† Range‡	Income Equ§	Income Conv¶	Div♡	Cheap(+) Dear(−)◊ Current
British Land 12pc Cv 2002	9.60	294.50	333.3	80-97	4.1	1.0	1.0	−4 to 8	29.8	80.9	17.5	+16.6
Hanson Tr 9½pc Cv 01-06	81.54	195.00	107.1	85-01	5.0	3.0	−1.6	−4 to 7	116.0	72.1	−22.2	−20.5
Slough Ests 10pc Cv 87-90	5.03	234.50	234.4	78-84	4.3		−4.7	−13 to −4	17.8	9.4	−3.4	+1.3
Slough Ests 8pc Cv 91-94	24.72	110.50	97.5	80-89	7.4	6.6	7.9	4 to 12	29.2	34.8	5.5	−2.5

* Number of ordinary shares into which £100 nominal of convertible stock is convertible. † The extra cost of investment in convertible expressed as per cent of the cost of the equity in the convertible stock. ‡ Three-month range. § Income on number of ordinary shares into which £100 nominal of convertible stock is convertible. This income, expressed in pence, is summed from present time until income on ordinary shares is greater than income on £100 nominal of convertible or the final conversion date whichever is earlier. Income is assumed to grow at 10 per cent per annum and is present valued at 12 per cent per annum. ¶ Income on £100 of convertible. Income is summed until conversion and present valued at 12 per cent per annum. ♡ This is income of the convertible less income of the underlying equity expressed as per cent of the value of the underlying equity. ◊ The difference between the premium and income difference expressed as per cent of the value of underlying equity. + is an indication of relative cheapness, − is an indication of relative dearness. ♣ Second date is assumed date of conversion. This is not necessarily the last date of conversion.

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Clive Wolman looks at Britain's oldest tax

Stamping out anomalies

THIS WEEK the Government introduced proposals for giving stamp duty, the oldest tax in the Inland Revenue's armoury, a thorough spring-cleaning.

House purchasers, particularly those paying only slightly more than the £25,000 stamp duty threshold, will be among the chief beneficiaries if the proposals are translated into legislation once the consultation process is completed in September. The proposals are designed to sweep away the anomalies and anachronisms that often make complicated and arbitrary a tax which was introduced in 1694 and which, even today, is still based on 19th century legislation.

House purchasers will be among the chief beneficiaries

It is unlikely to be practicable to delay the purchase of a house until the reforms take effect in perhaps 12 to 18 months. Other transactions might be worth postponing.

One of these is the incorporation of a small business owned at present either by a single trader or by a partnership. Transfer duty of 2 per cent has to be paid on the value of the assets of the business under the 1891 Stamp Act, and assets include book debt, and goodwill but not goods. In addition capital duty has to be paid to the value of 1 per cent on a different category of business assets. Capital duty has been imposed since 1973 in accordance with EEC directives.

The Government consultative document—a copy of which may be obtained from the Inland Revenue at Somerset House, London—proposes removing some of the anomalies between the imposition of capital duty and transfer duty. The document points out that reliefs from transfer duty are available in cases of company re-structuring and transfers of assets within a group. The justification for reliefs in such cases is that there is no change in the ultimate ownership of the assets.

The document states: "This argument also applies on the incorporation of a business."

Gifts of stocks, shares and land can only be made by drawing up a deed which will normally bear stamp duty at a rate of 2 per cent of the market value of the property. The liability of such gifts to stamp duty was imposed in 1910 as a way of discouraging the avoidance of estate duty by making lifetime gifts.

Today, the document points out, lifetime gifts are subject to capital transfer tax and there is now a case for removing stamp duty on gifts entirely. The annual yield is only £5m out of a total tax take of nearly £1bn from all stamp duties, while the cost of collection is believed to be around £3m.

Once again, it may be worthwhile to postpone making such a gift, in the hope that the duty will soon be abolished. Remember that if death occurs within three years of making a gift, a higher rate of capital transfer tax is imposed.

The document also suggests exempting deeds of family arrangement from capital transfer tax. These deeds are used when the beneficiaries of a will (or under intestacy) agree between them to change its terms. They are often an effective way of avoiding a double imposition of capital transfer tax, once when the property is transferred from wife to children. Legatees have two years after the death to draw up the deed so there is scope for delay.

The reforms proposed by the Government in these areas are likely to be approved by the lawyers and accountants now being consulted. One snag is that Mr John Wakeham, Minister of State at the Treasury, has said that no legislation is likely to be passed before the next election. A non-Tory Government, if returned, may not have either the time or the inclination to overhaul stamp duty on these lines.

Rosemary Burr gives a warning to British home owners in the U.S.

From dreams to nightmares

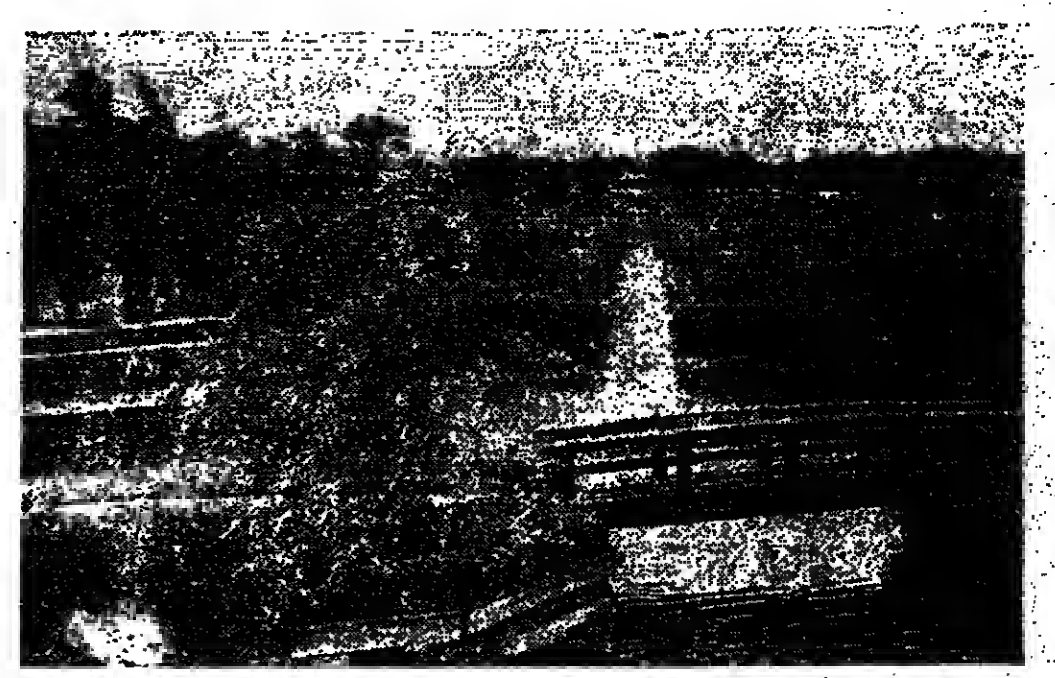
FOREIGN INVESTORS with dream houses in America may *now be having nightmares about* the U.S. Internal Revenue Service (IRS). The cause of this present unease dates back to the U.S. Foreign Investment in Real Property Act passed in 1980 to ensure that foreign investors in American real estate did not escape the IRS's tax net.

The Act was introduced after growing concern among several sections of the community about the adverse impact of a surge in foreign property purchases. Farmers and corporations renting a slice of the Big Apple joined together to protest that foreigners who were escaping the full rigours of the American tax system were pushing up property prices to unreasonable levels.

There was also a feeling that some of the ostensibly foreign money was in fact American funds by another name. According to this argument money was being transferred into foreign incorporated companies and then re-invested with fiscal advantages in the U.S.

So in June 1980 the American government introduced legislation that would put foreigners investing in U.S. property on equal footing with their native counterparts. From that time any foreigner selling American property has been subject to a 20 per cent tax on the capital gain.

For the purposes of the Act property covers a wide range of assets. It includes farmland, furnishings, time sharing interests, mineral deposits and certain mortgages.



Taylor Woodrow Homes development, The Meadows, Sarasota, Florida, where villas and garden apartments are for sale from $62,980

On the face of it this sounds simple—if expensive—enough. The complications arise as the IRS has decided that in order to stop foreigners escaping its clutches, overseas investors must either file certain information about their properties or alternatively complete what is called a security agreement with the U.S. taxman.

These rules cover all foreign investors with U.S. property worth more than $50,000. Originally the deadline for filing security arrangements, which are designed to ensure the foreign investor has sufficient funds to pay the potential tax bill, was set at March 21 but this has now been postponed.

The deadline for investors opting for disclosure is June 21. Some tax advisers are now suggesting that the IRS will also extend the deadline for security arrangements until June 21.

So what does this all mean for investors? They must decide whether they wish to tell Uncle Sam all the details of their property assets or whether they are prepared to foot the bill associated with providing adequate security to the U.S. taxman.

For most individuals, provided they do not wish to hide *their identity, the cheapest and* most straightforward method is to file details with the government. This will include a description of the property and an up-to-date assessment of its market value.

This information must be supplied each year. For properties purchased in the future details must be sent to the IRS by January 31 of the year after the acquisition is made.

Foreign investors can obtain the requisite forms from American embassies or the Foreign Operation District of the IRS in due course.

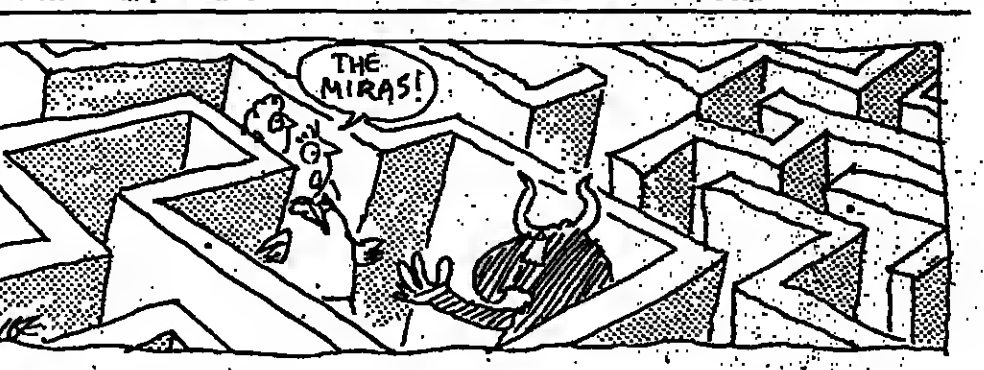
Failure to take appropriate action can result in a $25 fine per *day on* each *property* up to a maximum of $25,000 in any one year. The filings due in June will cover the three years back to 1980, so the maximum penalty that could be imposed this year is $75,000.

Apart from the possible cost of getting advice from an accountant, investors who opt for disclosure should not find themselves substantially worse off than in the past. Any tax paid to Uncle Sam can be offset against the UK tax bill, through the two countries' double tax agreement.

If you have property in the U.S. the best advice is to consult a firm of international accountants with branches in the U.S. *They should* be able to tell you how the new rules affect your particular handful of American soil.

Coopers & Lybrand, the *accountants, have produced* a booklet called Foreign Investors in U.S. Real Estate: A Guide for Reporting and Disclosure in 1983. This is available from Coopers & Lybrand, 1800 M Street, NW, Washington DC, 20036, USA.

Top taxpayers and problems of MIRAS



IT IS now only days to the changeover to MIRAS (Mortgage Interest Relief at Source) under which borrowers will pay the interest on their mortgage net of basic rate tax. Previous articles have described the system and what it means to borrowers. These persons should now be making up their minds as to which system they want under MIRAS.

MIRAS is complicated enough for the general run of borrowers, but there are further complications for higher rate taxpayers. For MIRAS only operates net of basic rate tax. Relief for higher rate tax still has to be claimed through the PAYE system the pre-MIRAS system and Sir Geoffrey Howe has decided to allow mortgage interest to be eligible for higher rate tax for at least another year.

The higher rate relief will come through an adjustment of the individual's tax coding and this should already have been done for the 1983-84 Coding notices which have recently been sent out. If there is no adjustment, the individual should contact his tax office as soon as possible.

This adjustment is a pure estimate by the Revenue of the tax relief entitlement for the financial year. Under the pre-MIRAS system, the Revenue had to estimate the amount of interest paid during the year, but MIRAS had added an extra parameter. In addition to estimating the amount of interest, the Revenue have to allow for the individual's income over the year.

The Revenue admit it will be purely coincidental if they accurately estimate the adjustment. In almost all cases there will be an overpayment or an underpayment.

If the individual has not received enough tax relief in a year, the Revenue practice is to send a cheque for the balance. If too much relief has been given, the recovery would be made through the following year's tax coding. Small recoveries would be overlooked through the tolerance discretion given to the Revenue.

So the problems for the higher rate taxpayer on MIRAS will occur in April of next year, when the individual completes his tax return. If his mortgage is with a building society, the only information required is his roll number. The Revenue do the rest. With any other lender—bank, insurance company, local authority—the individual needs to get the MIRAS 5 tax certificate from the lender and enclose it in his return.

Incidentally, the Revenue overestimated the tax relief due in the current tax year 1982-83 by basing interest on 13½ per cent. Rates finished the year at 10 per cent. Tax is being reclaimed on all borrowers by an adjustment to the 1982-83 coding, so individuals may have problems reconciling their code number since the amounts involved are substantial.

The other complication with MIRAS relates to borrowers with mortgages above the limit *for tax relief. Until last week's* Budget, this limit was £25,000. Lenders had the option of opting out of the MIRAS system for mortgages above the limit and borrowers would continue to pay interest gross and reclaim tax through PAYE. Most building societies have opted out, but the remainder and the clearing banks have an *incorporated* system of partial relief for these mortgages.

Then last week Sir Geoffrey lifted the limit to £30,000, thereby introducing further administrative complexities.

A borrower with a mortgage between £25,000 and £30,000, the latter figure inclusive, has been opted out of MIRAS. He will remain out for the tax year 1983/84 and come into the system the following year. New borrowers with a mortgage not exceeding £30,000 go into MIRAS immediately.

If the borrower has incorporated a system for handling these higher mortgages, then there is no problem with the change.

There could be further complications if the Chancellor, whoever he is, next year again increases the limit. The alternative is possibly removing higher rate tax relief from mortgage interest.

Eric Short

Barry Riley talks to the Stock Exchange chairman

A call for fairer shares

THE STOCK EXCHANGE was ten years old this week. Ten years? Has it, like an ageing actress, made a mistake about its age?

Yes and no. The London Stock Exchange is indeed a comparatively ancient institution, but it was just a decade ago, on March 25, 1973, that all the independent stock exchanges in the UK and Ireland merged into one united Stock Exchange.

As recently as 1964 there were as many as 22 separate stock markets in the British Isles, though regional federalisation had already reduced the numbers somewhat before 1973.

For seven of those ten years Sir Nicholas Goodison has been chairman of the Stock Exchange. This week he listed what he saw as the most important developments of the decade.

Common listing standards and common standards of behaviour were crucial, he said, and without the amalgamation it would not have been possible to develop the countrywide system of settlement.

There were also advantages for the Government in dealing with a single body. "If there had still been 22 stock exchanges the Government would have had to set up a new agency, or at least extend the work of the Department of Trade, at some point in the late 1970s," he suggested.

The merger had worked. "On all those counts I can say it's been a great success. We don't have any regrets."

Sir Nicholas Goodison

What about the future? Sir Nicholas looked forward to the computerisation of gilt-edged settlement, and then to the centralised settlement of overseas securities of countries like the U.S. and Australia. A little further ahead, he foresaw computerisation of the system of *transfer of equities.*

In the past 10 years a very significant event had been the abolition of exchange controls in 1979, so would the future bring further mergers, perhaps with European stock exchanges? "The logic is there," Sir Nicholas agreed, "but London isn't just a European exchange."

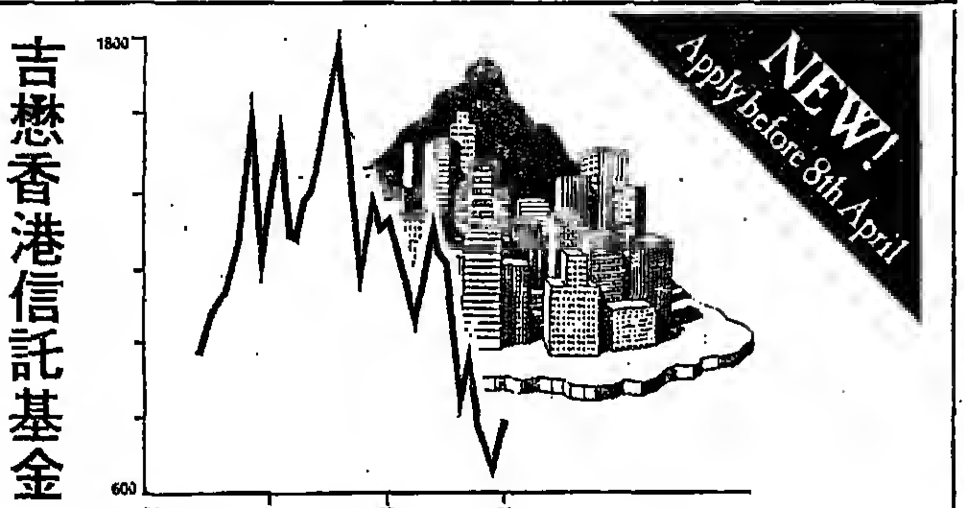
The *Unlisted* Securities Market had been a very important change. He insisted that recent Press stories about a closer scrutiny the quality of new USM companies were false.

There had been no change in the Stock Exchange's policy here. But it was certainly true that Sir Nicholas was concerned about the growth of speculative tip sheets.

"I am looking at the matter. I am concerned with my regulatory hat on." He said that he was worried that he might find evidence of manipulation. "But I am not concerned about people having hopes in a company which are dashed. I think that's risk." The equity market was a market in risk.

A major continuing problem for the Stock Exchange, said Sir Nicholas, was the fiscal discrimination against the private investor in quoted equities. The Conservative Government, he said, had made various improvements, such as the indexation of capital gains tax, but he was plainly dismayed that the relief given in the latest Budget had been directed specifically to unquoted shares.

"The pump does need to be primed if you want to get individuals to invest in industry," he argued. "You must take away the obstacle, and then give a small fiscal boost to get them in the habit. Once they get in the habit it catches on, as the USM has shown."



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Growth potential

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A look at how the Office of Fair Trading regulates traders who give credit

Licensing the High Street moneylenders

THE OFFICE of Fair Trading this week provided a glimpse into some of its activities performed behind the scenes in an attempt to protect the public from unscrupulous traders.

Sir Gordon Borrie, Director General of the Office of Fair Trading, says:—"The public has the right to expect the highest possible standards from traders dealing in credit or hire."

Under the Consumer Credit Act 1974 the OFT is responsible for licensing individuals and companies which provide credit or hire purchase facilities. Anyone offering a credit without a licence is committing a criminal offence.

Before a licence is issued the OFT has to be satisfied that the trader is a fit person. By 'fit' the office means someone who has not committed offences involving dishonesty or violence or been involved in unfair or improper business practices whether lawful or not.

If the OFT is not satisfied with the applicant's credentials it will inform the trader that the director is "minded to refuse" and the trader has an opportunity to try to refute the damning evidence.

Licences are issued for ten years. However, they can be revoked if the OFT is unhappy about the trader's conduct. In more serious cases the local Trading Standards office can initiate criminal proceedings.

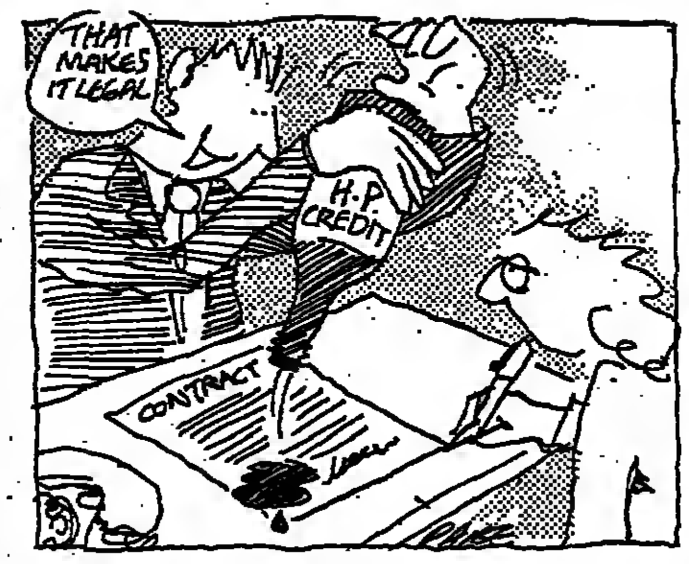
Since August 1976 about 800 traders have received warning notices that their behaviour does not come up to scratch. This includes both applicants and licence holders. Nearly half of the traders warned were given a clean bill of health after assuring the director of their good behaviour in the future.

Year	Applications	Licences granted
1976	25,104	12,559
1977	25,612	23,204
1978	33,447	27,134
1979	11,886	23,261
1980	11,759	17,221
1981	13,279	12,282
1982	15,258	13,531

By the end of February this year 251 traders either had their applications turned down or their licences withdrawn. A further 121 cases are pending.

There are no exact statistics available for the number of criminal prosecutions but the OFT *says the figure is* about 100. Under the terms of the Act investigators who have been authorised by the OFT to look into serious offences have sweeping powers to search premises and question employees of any trader believed to have broken the law.

As the recession continues to bite an increasing number of traders have been applying for licences. The most common applicants are motor dealers, retailers, estate agents, insurance brokers and home improvement firms. There is still a considerable backlog of applications which explains the numerical discrepancy between applicants and licence holders in the table.



From the customer's point of view, if you are unhappy with the service given by a licence holder it is best to report the trader to your local Citizens Advice Bureau or Trading Standards Office. If you are granted credit by an unlicensed trader then the contract cannot be enforced unless the trader can convince the OFT that there are special reasons why the contract should be treated as valid.

Rosemary Burr

More light on moonlighting

ABOUT THIS time of year millions of householders receive the familiar envelope from the Inland Revenue enclosing their tax form. Despite having filled out such a form the year before each time you face the taxman's demands the questions seem to get *harder*.

All that could change if recommendations by the Committee on Enforcement Powers of the Revenue Departments under the chairmanship of Lord Keith of Kinkel are accepted by the Government.

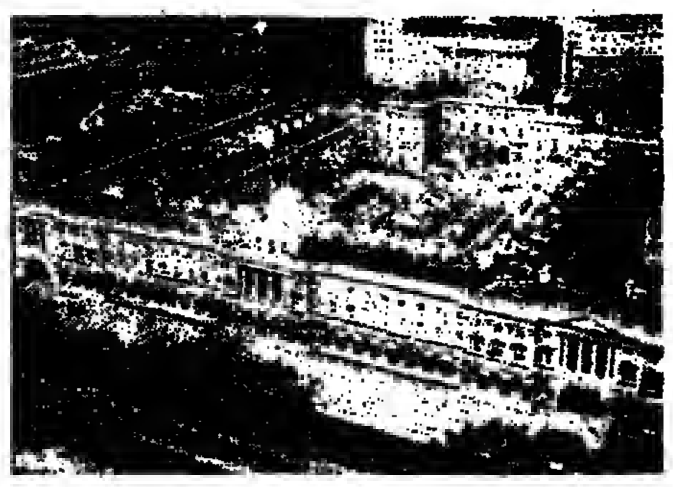
The Keith Committee was set up in 1980 when fears about moonlighting, tax evasion and the powers of entry and search given to tax inspectors were growing.

If anything these worries have increased in the intervening period. Official estimates now put the black economy at around £15bn with an annual tax loss of *around £4bn, considerably* more than the Chancellor gave away in the Budget.

The Keith Committee's proposals must be viewed not only against the background of this loss of revenue but also an anxiety that the public may come to view fiddling tax forms as socially acceptable.

Among the report's recommendations is that the P1 tax return form filled in by individuals should be simplified. In addition people should be asked specifically to declare spare-time income from whatever source it is made. At present there is a general question referring to income from other sources but the report recommends this should be made more pointed.

At the moment not everyone gets a tax form each year. As a result when faced with the taxman's demands people often have difficulty marshalling the requisite material. So the report recommends that all taxpayers should complete a tax return at least every three years and preferably every year.



Somerset House

The other reform the report calls for concerns late returns. It suggests extending the current 30-day deadline, which many find impossibly onerous, and replacing it with three months' grace with automatic penalties for *delay*.

Legislation would be needed before any of the report's proposals could be implemented and this is unlikely during the lifetime of this Government. So I'm afraid there is no relief when it comes to filling in this year's tax return.

R.B.

The Association of Investment Trust Companies

THE INVESTMENT TRUST TABLE

The figures in the columns below are based on information supplied by the companies named, which are members of The Association of Investment Trust Companies. The figures are unaudited.

Columns (1)–(5): as at close of business on Monday 21st March 1983. Columns (6)–(10): as at 28th February 1983.

Total Assets less current liabilities (1) £million	Company (2)	Share Price (3) pence	Yield (4) %	Net Asset Value (5) pence	Geographical Spread: UK (6) %	Nth. Amer. (7) %	Japan (8) %	Other (9) %	Gearing Factor (10) base=100	Total Return on N.A.V. over 5 years to 28.2.83 (11) base=100
	VALUATION MONTHLY									
84	Aberdeen Trust	129	4.8	159	69	28	1	2	103	240
310	Alliance Trust	424	4.2	602	41	46	8	5	95	250
5	Atlanta, Baltimore & Chicago	116	1.4	140	11□	89	–	–	106	235
218	British Invest. Trust	242	5.8	342	54	37	8	1	83	224
84	First Scottish American Trust	196	3.8	237	49	39	11	1	102	244
151	Investors Capital Trust	167	2.9	214	28	51	12	9	111	245
7	New Darien Oil Trust	42	0.9	68	3	88	–	9	85	†
98	Northern American Trust Co.	224	3.4	259	49	39	11	1	104	251
30	River Plate & General Invest. Trust	141	6.1	190	70	17	–	13	102	253
18	xSave & Prosper Linked Invest. Trust	133	–	276	100	–	–	–	143	190
237	Scottish Invest. Trust	181	3.7	254	26	40	21□	13	96	236
94	Scottish Northern Invest. Trust	116	4.4	171	56	39	2	3	106	230
167	Scottish United Investors	72	3.4	92	31	47	10	12	103	226
102	Second Alliance Trust	376	3.8	518	42	45	8	5	97	254
4	Shires Investment	150	11.2	160	100	–	–	–	90	159
143	United States Debenture Corporation	156	6.0	204	68	32	–	–	101	218
5	West Coast & Texas Regional	128	1.6	156	9	91	–	–	107	217
	Baillie Gifford & Co.									
313	Scottish Mortgage & Trust	236	3.2	331	29	49□	16□	6	101	272
120	Monks Invest. Trust	100	3.4	139	28	41	23□	8	100	254
17	Winterbottom Energy Trust	48	1.9	64	6□	91	–	3	85	147
13	Baillie Gifford Japan	130	0.4	129	–	–	100	–	95	†
6	Mid Wynd International Invest. Trust	74	3.3	101	12	49	28□	11	97	†
	Baring Bros. & Co. Ltd									
68	Outwich Invest. Trust	85	3.8	116	59	30	10	11	122	230
50	Tribune Invest. Trust	143	3.4	194	34	43	11	12	69	253
	East of Scotland Invest. Managers Ltd.									
54	Pentland Invest. Trust	276	3.5	304	54	38	5	3	98	241
	Edinburgh Fund Managers Ltd.									
104	American Trust	91	3.5*	122	32	68	–	–	100	244
32	Crescent Japan Invest. Trust	460	0.5	470	–	–	100	–	96	257
25	General Scottish Trust	96	4.7	122	47	37	11□	5	99	276
4	New Australia Invest. Trust	70	2.6	69	–	–	–	100	116	†
16	New Tokyo Invest. Trust	151	–	164	–	–	100	–	99	†
12	Wemyss Invest. Trust	423	6.8	536	40	32	–	28	88	184
	Electra House Group									
459	Globe Invest. Trust	171	6.6	255	68	19	5	8	99	221
55	Temple Bar Invest. Trust	72	8.3	94	95	4	–	1	97	212
	F & C Group									
46	Alliance Investment	127	3.3	168	53	36	14	7	115	295
40	Cardinal Invest. Trust	112	4.7	152	56	23	5	16	106	242
8	F & C Eurotrust	84	2.6	90	12	2	–	86	104	153
384	Foreign & Colonial Invest. Trust	87	3.7	121	40	33	19	8	111	264
52	General Investors & Trustees	106	4.7	147	55	21	4	20	105	†
	Robert Fleming Investment Mngt. Ltd.									
15	Fledgeling Investments	96	3.3	119	85	13	–	2	93	375
77	Fleming American Invest. Trust	372	1.6	456	2	97	–	1	67	242
22	Fleming Claverhouse Invest. Trust	160	6.2	220	99	1	–	–	99	277
19●	Fleming Enterprise Invest. Trust	148	6.3	190	100	–	–	–	95	237
113	Fleming Far Eastern Invest. Trust	181	1.0	214	3	–	71	26	102	237
54	Fleming Japanese Invest. Trust	298	0.8*	349	4	1	95	–	92	259
207	Fleming Mercantile Invest. Trust	80	4.9	122	44	38	5	13	98	263
136	Fleming Overseas Invest. Trust	232	4.3	307	24	39	19	16	89	235
60	Fleming Technology Invest. Trust	233	2.6	303	46	41	12	1	98	269
63	Fleming Universal Invest. Trust	201	4.3	284	63	24	5	8	96	231
	GT Management Ltd.									
52	Berry Trust	218	1.2	262	24	34	16	26	121	370
14	GT Global Recovery Invest. Trust	103	3.5	116	16	47	8	29	117	†
30	GT Japan Invest. Trust	478	1.5	449	–	3	96	1	107	371
18	Northern Securities Trust	324	2.2	419	29	39	13	19	129	309
2	xChild Health Research Invest. Trust	206	–	266	33□	36	26	5	106	†
2	xMarine Adventure Sailing Trust	132	–	172	33	39	25	3	117	†
	Gartmore Investment Management Ltd.									
14	xAltifund plc	266	0.2	375	93	2	3	2	117	324
46	Anglo Scottish Invest. Trust	98	3.6	124	48	43	2	7	104	253
51	English & Scottish Investors	94	3.0*	122	47	40	3	10	113	302
16	Group Investors	178	2.6	205	42	51	5	2	100	309
12	London & Gartmore Invest. Trust	202	1.1	243	20	54	2	24	116	289
16	London & Lennox Invest. Trust	76	3.8	85	41	47	–	12	108	239
46	London & Lomond Invest. Trust	162	3.7	202	50	42	3	5	116	251
20	London & Strathclyde Trust	101	3.2	124	56	37	–	7	115	272
25	Meldrum Invest. Trust	117	4.6	125	80	19	–	1	100	279
	Gartmore Investment (Scotland) Ltd.									
135	Scottish National Trust	143	3.7	193	53	34	4	9	107	243
34	Glasgow Stockholders Trust	117	3.1	139	47	42	–	11	107	248
	John Govett & Co. Ltd.									
153	Border & Southern Stockholders Trust	105	4.1	153	50	22	17	11	99	233
22	General Stockholders Invest. Trust	208	2.9	293	30	60	4	6	103	223
113	Lake View Invest. Trust	161	3.3	243	35	8	34	23	104	233
117	Stockholders Invest. Trust	198	2.8	268	18	75	3	4	107	239
	Hambro Group									
45	Bishopsgate Trust	128	3.9	174	55	40	4	1	105	260
8	City of Oxford Invest. Trust	140	5.6	175	99	–	–	1	100	253
96●	Hambros Invest. Trust	100	4.7	166	47	44	4	6	105	291
8	xRosedimond Invest. Trust	176	–	203	100□	–	–	–	–	201
	Henderson Administration Ltd.									
238	Witan Invest. Co.	94	3.3	136	47	33	12	9	106	268
46	Electric & General Invest. Co.	166	2.3	224	42	48	7	3	99	266
15	Greenfriar Invest. Co.	294	1.1	379	39	36	8	17	111	369
12	Lowland Invest. Co.	136	5.0	157	87	5	–	8	102	312
	Philip Hill (Management) Ltd.									
41	General Consolidated Invest. Trust	163	6.1	213	61	34	–	6	97	255
237	Philip Hill Invest. Trust	175	5.7	240	72	24	–	4	97	262
11	Moorgate Invest. Trust	190	6.2	223	91	7	–	2	99	281
60	Nineteen Twenty-Eight Invest. Trust	129	5.3	159	52	44	–	4	97	228
	Industrial & Commercial Fin. Corp. Ltd.									
18	London Atlantic Invest. Trust	115	6.2	155	66	16	–	18	94	244
11	North British Canadian Invest. Co.	137	5.3	160	90	3	–	7	101	270
	Ivory & Sime Ltd.									
177	Atlantic Assets Trust	89	0.5	116	19□	78□	–	3	94	443
181	British Assets Trust	136	5.0	184	30	62	–	8	100	246
100	Edinburgh American Assets Trust	180	0.7	210	11	80	5	4	110	347
85	Independent Invest. Co.	272	0.3	301	14□	81	–	5	87	†
9	Japan Assets Trust	30	0.5	30	–	–	100	–	99	†
42	Viking Resources Trust	65	1.8	93	10	88	–	2	107	270
	Kleinwort Benson Investment Mngt. Ltd.									
54	British American & General Trust	74	5.0	98	44	47	6	3	94	234
52	Brunner Invest. Trust	111	4.3	144	40	48	7	5	97	273
66	Charter Trust & Agency	105	5.0	145	49	41	7	3	101	245
82	English & New York Trust	139	4.5	186	87	53	4	6	93	236
8	Family Invest. Trust	140	6.4	180	96	1	–	3	94	256
6	Jos Holdings	77	5.3	94	61	36	3	1	102	255
14	London Prudential Invest. Trust	168	4.5	207	60	31	6	3	92	265
105	Merchants Trust	136	4.8	188	45	44	6	3	91	247
	Lazard Bros. & Co. Ltd.									
89	Raeburn Invest. Trust	218	5.2	315	51	35	7	7	92	230
72	Romney Trust	172	3.7	241	29	43	18	10	97	247
	Montagu Investment Management Ltd.									
11	British Industries & Gen. Invest. Trust	175	4.1	218	46	19	25	10	97	179
5	City & Foreign Invest. Co.	90	1.6	126	8	92	–	–	82	229
102	Drayton Consolidated Trust	193	6.1	291	59	22	11	8	95	178
15	Drayton Far Eastern Trust	83	1.5	92	7	–	62	31	99	233
84	Drayton Japan Trust	259	1.7	305	1	6	82	11	100	205
119	Drayton Premier Invest. Trust	246	6.4	378	62	20	14	4	92	177
22	English & International Trust	156	5.3	206	60	26	9	5	96	207
12	Montagu Boston Invest. Trust	102	1.8	123	2	98	–	–	92	228
24	xCity & Commercial Invest. Trust	360	–	517	93	3	4	–	130	†
20	xDualvest plc	555	–	764	83	10	1	6	121	†
19	xFundinvest plc	179	–	250	91	4	4	1	118	†
53	xTriplevest plc	418	–	656	84	10	2	4	128	234
	Morgan Grenfell Ltd.									
153	Anglo-American Sec. Corp.	176	4.1	260	41	34	16	9	95	245
50	North Atlantic Sec. Corp.	208	1.9	254	–	62	26	12	95	251
	Murray Johnstone Ltd.									
91	Murray Caledonian Invest. Trust	105	7.5*	136	57	31□	3□	9	92	247
146	Murray Clydesdale Invest. Trust	99	3.0*	136	34	56□	5	5	93	245
43	Murray Glendevon Invest. Trust	212	2.0	282	36	43□	12	9	101	260
57	Murray Northern Invest. Trust	112	2.5*	153	16	17□	29	38	113	240
160	Murray Western Invest. Trust	129	3.2*	175	30	57□	7□	6	86	252
	Rivermoor Management Services Ltd.									
156●	London Trust	75	7.2	121	58	26	–	16	105	247
19	Moorside Trust	78	6.4	96	49	43	2	6	91	204
55	River and Mercantile Trust	171	6.9	225	56	27	2	15	100	248
	J Rothschild Invest. Management Ltd.									
252●	RIT and Northern	196	4.8	248	48□	22	6□	24□	73	298
39	Ailsa Invest. Trust	62	4.3	78	38	37	13	12□	80	†
15	Precious Metals Trust	109	0.7	128	8□	59	1	33	66	†
	N M Rothschild Asset Management Ltd.									
20	New Court Trust	284	6.6	371	96	1	1	2	105	249
	J Henry Schroder Wagg Group									
43	Ashdown Invest. Trust	278	3.5	387	45	43	6	6	91	252
56	Broadstone Invest. Trust	346	3.2	403	46	47	4	3	84	243
92	Continental & Industrial Trust	376	4.9	525	44	52	–	4	103	248
61	Trans-Oceanic Trust	130	2.8	166	24	64	7	5	96	257
	Stewart Fund Managers Ltd.									
149	Scottish American Invest. Co.	170	3.9	233	40	52	3	5	112	257
8	Stewart Enterprise Invest. Co.	35	1.6	46	39	55	–	6	107	†
	Throgmorton Invest. Management Ltd.									
16	xThrogmorton Secured Growth Trust	186	–	291	100	–	–	–	–	180
96	Throgmorton Trust	147	6.3	196	100	–	–	–	111	293
	Touche Remnant & Co.									
62	Bankers' Invest. Trust	116	4.9	157	66	24	6	4	97	256
23	TR Australia Invest. Trust	133	3.8	163	22	6	1	71	100	218
71	TR City of London Trust	103	6.9	144	89	8	–	3	94	232
314	TR Industrial & General Trust	90	4.8	139	59	22	12	7	103	238
85	TR Natural Resources Invest. Trust	192	5.0	279	58	28	1	13	99	224
61	TR North America Invest. Trust	138	3.2	172	16	61	–	1	106	258
68	TR Pacific Basin Invest. Trust	156	1.8	193	11	5	64	20	100	224
60	TR Property Invest. Trust	103	3.1	131	70	16	2	12	108	222
203	TR Technology Invest. Trust	126	3.8	182	40	38	16	6	103	266
120	TR Trustees Corporation	83	5.2	127	72	20	2	6	105	249
	VALUATION THREE MONTHLY									
	City Financial Administration Ltd.									
40	General Funds Invest. Trust	376	3.1	528	48	22	24	6	98	287
32	"Investing in Success" Equities	352	2.1	444	38	28	33	1	108	273
	East of Scotland Invest. Managers Ltd.									
21	Dominion & General Trust	416	4.1	481	55	38	5	2	98	236

NOTES TO THE TABLE

† No data.
x Split capital trust (capital shares).
* Applies to Ordinary/"A" Ordinary only.
s Does not include special dividend.
□ More than one quarter in non-equity investments.
● More than 20% in securities or other assets included at directors' valuation.
ac Adjusted for scrip issue.
ar Adjusted for rights issue.

(a) Cols. 1, 3 to 5: Figures supplied by Wood Mackenzie & Co. members of The Stock Exchange. Col. 1 to nearest £1m; Cols. 3 & 5 to nearest penny per share.

(b) Cols. 1, 5: Statistics simulated to date shown based on *latest valuation supplied* by the companies and made available to The Stock Exchange. In these valuations listed securities are valued at mid-market prices and unlisted at directors' valuation. All revenue account *items* are excluded.

(c) Col. 4: Based on last declared dividend or firm forecast, plus tax credit, to nearest 0.1 per cent.

(d) Cols. 6 to 9: Percentages of total assets less current liabilities. Currency balances are allocated to the relevant geographical sector.

(e) Col. 10: The gearing factor indicates the percentage amount by which the net asset value per share would *rise* if the value of the equity assets increased by 100 per cent. Further explanation is given in the booklet 'More for your money.'

(f) Cols. 5, 11: Prior charges and preference share capital deducted at market value; convertible stocks deemed to be converted; warrants treated as not exercised.

(g) Col. 11: Figures supplied by AITC Statistics Service, to nearest one per cent. A full description of the information shown in this column is given in the Investment Trust Year Book. In summary, the figures show the percentage changes in the net asset values over the period assuming that dividends paid, excluding tax credit, were reinvested in the underlying assets of the company.

INDICES OF FIVE YEAR TOTAL RETURN

General Trust Average	253
F.T.-Actuaries All Share	254
*Standard & Poors Composite	184
**Capital International World*	166

*Adjusted for exchange rate changes.

EXPLANATORY NOTES

Use of total return statistics and care in interpretation

The total return statistic, which adjusts the net asset values for dividends, excluding tax credit, distributed during the period, enables companies with substantially different capital growth and dividend policies to be more fairly compared. A period of five years provides a good indication of trends and, in normal circumstances, should cover a traditional bull and bear market in the major stock markets.

Each total return figure is indexed from a base of 100 at the commencement of the period and records the movement between *two particular dates. Any particular total* return figure may thus be affected by exceptional factors, operative at either the base date or at the final date, which were influencing the stock market generally or a sector of the market in which the company was interested. The geographical distribution of a particular company's portfolio and whether it has changed its investment policy should be considered in assessing its relative performance.

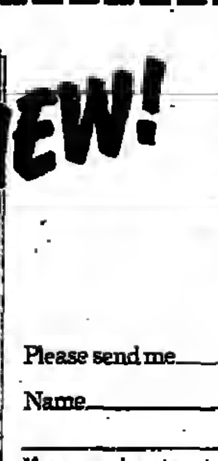
While the total return statistic, if used with care, provides a valuable guide to past experience which can assist comparison of one company with another, or the trust movement with other investment media, it should always be borne in mind that past performance is not necessarily a guide to future achievement.

The total return statistic for split capital trusts is not comparable with that for other companies because of the difference in capital structure. The split capital trusts have therefore been identified in the Table and are not included in the General Trust Average index figure.

Calculation of NAV

In order to avoid a plethora of figures and to facilitate comparability, the statistics of net asset value have been calculated on a uniform basis which may, in the case of a particular company, differ from the corresponding figures in its Annual Report and Accounts.

The net asset value is calculated on the "going concern" basis, ie with *prior charges* deducted at market value, as it is believed that this basis is the most widely accepted for comparative purposes.



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Name ______ Address ______

If you are an investment adviser, please indicate your profession:
stockbroker ☐ accountant ☐ solicitor ☐ insurance broker ☐ banker ☐ *(please indicate as appropriate)*

PROPERTY

In Boat Race country

BY JUNE FIELD

A *SQUIRREL frisked* among tbe daffodils outside Fulham Palace, fnrmer country residence of the Bishops of London near Putney Bridge as 1 walked towards the red brick Tudor courtyard, unchanged apart from the south side which was restored in 1858.

Behind the massive front door of this little known palace, said to be baunted by the infamous Edward Bonner, Bisbop of London in 1539, ia the original Great Hall used by Henry VIII and built by his father. Tbe place now belongs to the Hammersmith and Fulham Borough Council, with parts used by the Ecclesiastical Insurance offices; while by the entrance gates there is a venture playground fnr handicapped children, with thriving allotments near by.

The moat, fully a mile in circumference, the largest of its kind in tbe country, was filled in around 1921, and is now a delightful public garden with berbs aod vines. And between the Palace and the Thames is Bishop's Park, described by Jnbn Evelyn in 1681 as "exceedingly beautiful," the terrace a vantage point later for watching the start of the Boat Race, that exciting 4½-mile annual event first rowed at Henley in 1829, scheduled for next Saturday.

Thirty years ago Pevsner called Fulham "one of the least attractive boroughs of London"; more recently Tony Aldous in bis excellent *Book of London Villages* (Secker and Warburg 1980), observed that to many "Fulham is a dim, dull district somewhere beyond World's End . . ." But he also, quite rightly, lauded the charms of the Italian Village off Fulbam Road, a colony of studios set up between the wars by artist Mario Manenti, the lively street markets and the stylish Hurlingham Club, elegant Georgian mansion overlooking the river, where I had tea on the terrace, listening to the clunk of croquet mallets on the gracious lawns.

Flats in Fulham with a riverside location include Rivermead, Hurlingham and Napier Courts, Rosebank and River Gardens. The latter, next to Fulham football ground, with fine Boat Race views, is the striking Ted Levy Benjamin-designed complex which has that rarity an indoor heated swimming pool, something which strangely few agents appear to promote very atrongly. Peter Hughes, Friend and Falcke, 299, New King's Road, SW6, has a two bedroom, two bathroom apartment at River Gardens for sale at £99,000 for a 990-year lease, ground rent one red rose on Midsummer's Day.

I shall be watching the race further along from a balcony of one of the four new Regency-style town houses in The Terrace, Barnes, which come on the market next Saturday. These four-bedroom homes with a dramatic studio-room leading on to a roof terrace with sweeping river views, have been built by Frendcastle with Edward Hill Associates as architects. They are £155,000 freehold through Stuart Wilson, 18, Seymour Place, London, W1.

Back in Fulham most estate agents and developers prefer to trade on Chelsea's *cachet*, usually referring to their offerings as being on the borders; anything rather than boosting the mnre mundane ambience of SW6, parts of which are still a mixture of decay and up-and-coming trendiness.

"Chelsea kill West Ham" goes the graffiti on walls near the attractive new courtyard complex of 21 stylish town houses being built off the Fulham Road. But then after all they are almost opposite Chelsea football ground, Stamford Bridge.

The development, Lord Roberts Mews, is named for the light industrial workshops providing employment for war-disabled, that used to be on the site. The pioneer scheme was started by Lady Brabazon (Countess of Meath) after the South African War and eventually called after the Field-Marshal who took such an interest in them. A showbouse is being opened on Wednesday afternoon by the present national chairman, Brigadier H. G. W. Hamilton.

Thereafter the showbouse will be open to the public Monday to Friday 9-6, while for Easter it will be manned each day of the holiday from 11-4, or by appointment by telephoning 01-736 9161.

Prices of the first phase nf *four-bedroom, two-bathroom* Michael Brown Associates' designed terraced houses with lock-up garaging are £135,000 freehold. (Brochure from Michael Stoop, Winkworth, 38a New Kings Road, SW6.)

The development is by Melbourne Estates, respnnsible fur numerous flat refurbishments in central London, together with A.I. Securities, *whose first project*, the conversion of the original home nf the famous 19th-century master builder Thomas Cubitt in Lyall Street, Belgravia, is for sale in excess of £2m through Ewan Hill, Debenham, Tewson and Chinnocks, 44 Brdok Street, W1. (The lateral conversion, nearly completed, of the two period buildings will provide seven apartments and a penthouse.)

A.I. Securities also disposed of some land off Fulham's Bagleys Lane (named after market gardener Charles Bagley who bought the estate in 1847), to Trafalgar House'a New Ideal Homes. They are building some attractive three bedroom bouses with balconies, plus two bedroom flats at Peterhouse Gardens, on a two-acre site originally part of the Sandford Manor Estate. The manor is said to bave been lived in by Nell Gwynne, and 18th century essayist Joseph Addison.

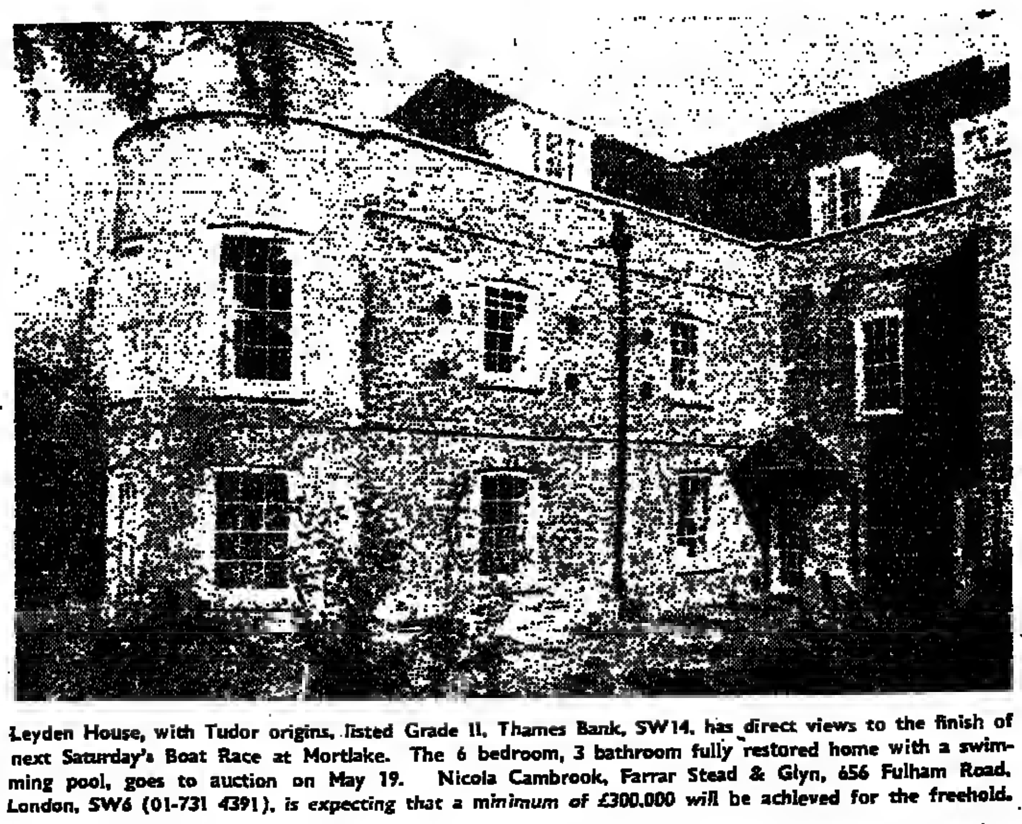
Gasholders, the smaller believed to be the oldest one in working order in the world, with a preservation order on it, are a atark backdrop to the development; so the terraced houses bave been cleverly designed by David Corley and Associates, the architects, to look inwards onto gardens laodscaped with patin and pools by Chelsea Flower Sbow award winner John Vellam.

There is a show home, and the agents Farrar Stead and Glyn, 152 Fulham Road, SW6, have a sales office on site (open seven days a week 10-5). Already several of the houses have been reserved at £91.000 freehold, and there is interest in the flats wblch are expected to be abont £63,000 leasehold.

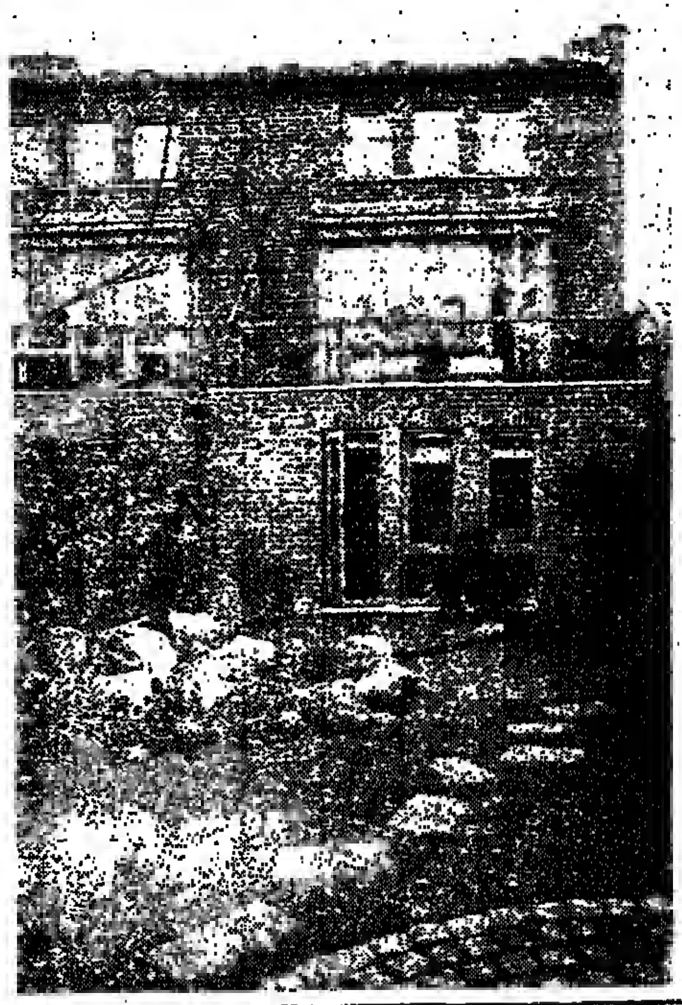
The agents say that demand for rental accommodation in the district is high, and that there is a noticeable shortage nf high-quality units. Nicola Cambrook reports: "Rental incomes are estimated at £200 per week fur a home furnlsbed to the Peterhouse Gardens sbowhouse standard. So purchasers, particularly from overseas, should find that they have a long-term investment that is self-financing."

Whatever appellation Fulham is accorded, the property market there is becoming "terribly strong," insists Anne Dawes of Jackson-Stops and Staff, New King's Road office. "Good solid well maintained and arranged Victorian terraced houses for instance, are very much in demand, and selling close to the asking price. And the extra £5,000 tax relief for mortgages in the Budget has helped a little."

Just sold was a five bedroom, three bathroom house in Bishop's Park for around £130,000, which would have been some £50.000 more had it been in Chelsea. And currently available are several four bedroom Victorian houses in Acfold, Chesilton and Clonmel Roads, "all tremendous value at between £87,500 to £120,000."



Leyden House, with Tudor origins, listed Grade II, Thames Bank, SW14, has direct views to the finish of next Saturday's Boat Race at Mortlake. The 6 bedroom, 3 bathroom fully restored home with a swimming pool, goes to auction on May 19. Nicola Cambrook, Farrar Stead & Glyn, 656 Fulham Road, London, SW6 (01-731 4391), *is expecting that a minimum of £300,000 will be achieved for the freehold.*



Peterhouse Gardens, off Bagleys Lane on the Chelsea/Fulham *borders, New Ideal Homes* development of town houses from 91,000 and flats from about £63,000 around a courtyard setting. Details Sandy Gauvain, Farrar Stead and Glyn, 656 Fulham Road, London SW6 (01-731 4391), or at the showhome (01-736 9256), open 7 days a week, 10-5. Closed Good Friday, but open the rest of Easter.

BRIDGE

E. P. C. COTTER

YOU HAVE heard me preach against taking unnecessary *finesses—today* I am leading another crusade to support nbligatnry finesses. I am sure you will be interested and instructed by two hands in which this nbligatory finesse occurred. The first is from a rubber of reasonable standard:

N
♠ K 10 8 6
♡ 8 7 4
◇ A 8 7 2
♣ K 6

W
♠ Q 4
♡ A K Q J 9 6
◇ 10 3
♣ 10 4 2

E
♠ 5 2
♡ 10 2
◇ Q J 9 5
♣ J 9 8 5 3

S
♠ A J 9 7 3
♡ 5 3
◇ K 6 4
♣ A Q 7

With North-South vulnerable, South dealt and npened the bidding with one spade, West overcalled with two hearts, North raised to three spades, and South's bid of four spades concluded the anction.

West cashed Ace and King of bearts, East petering. The heart Queen came next, East discarding the three of clubs, and was ruffed in hand. The declarer, deciding that, as West was long in *hearts*, it was likely that East might be long in spades, led a spade to dummy's King returned a spade and finessed the Knave. West won with the Queen, and as declarer still had a diamond loser, he had to go down.

It is true that Snuth's assessment of the position was not unreasonable, but there is no need to depend on mathematical theory when more practical steps can be taken. The declarer can without much danger learn more about the hand by discovery in the minor suits. He cashes three top clubs, throwing a diamnnd from the table, and continnes with the diamond King and a low diamond to the Ace. If West ruffs, be is ruffing a loser, but he follows. At this stage West is known to bave six hearts, three clubs, and two diamnnds. So now South plays a spade to the King, returns a spade, and finesses the Knave. If it wins, he loses no trump trick; if it loses, West will have nothing but a heart to return. This gives declarer a ruff discard—dummy ruffs, and South's diamond loser goes away.

Now for the second hand, a part score contract:

N
♠ 8 5 2
♡ Q 5 4
◇ 7 3 2
♣ A 6 5 3

W
♠ 8
♡ J 8 6
◇ K J 8 4 2
♣ Q 10 7 4 2

E
♠ Q 7 3
♡ A K 10 9 3
◇ Q 10
♣ K J 9

S
♠ A K J 10 9 4
♡ 7 2
◇ A 9 6 5
♣ 8

With both sides vulnerable, East dealt and bid one heart, which South overcalled with two spades. This jump overcall is invitational, not forcing, and announces a good suit and some seven playing tricks. On this occasion South is rather light for his bid, but we will nnt crime him unduly. This bid was followed by three passes, and West led the heart Knave in preference to the six, and the defence cashed two tricks in the suit. A third heart was ruffed with the ten of spades. South cashed the Ace of trumps, crossed to the club Ace, and returned a spade. When East followed with the seven, South decided to play for a 2-2 break, but West showed out. Now he had to lose a trump and three diamonds in addition to the two hearts already conceded, and went one down, because East drew dummy's last trump.

The declarer did not look deeply enough into the position. When he led a spade from the table at the sixth trick, he should bave finessed the Knave. This is the real *finesse obligatoire*—it guarantees success. If if wins, the declarer loses no trump trick; if it loses, the trumps have broken; and there is a trump left in dummy to take care of South's fourth diamond.

Would you have missed this finesse? If so, you are in good company—I saw a similar hand in which a World Cbampion failed to take this safety finesse.

CHESS

LEONARD BARDEN

THE RISE and rise of 19-year-old Gary Kasparov has continued this week. Kasparov's 6-3 victory over Belyavsky in their candidates' quarter-final was achieved in a atyle which refuted world champion Karpov's expressed belief that his young rival was too inexperienced for success in match play. When Belyavsky levelled the scores at 2-2, many thought that the pressure would affect Kasparov as it did Bobby Fischer at age 19 in the candidates. But Kasparov sailed easily through the remaining games, nutplaying his opponent tactically, as shown here last week, and then in a clever endgame.

On updated calculations of FIDE world ratings, Kasparov is fast closing the gap between himself and Karpov which is now down to some ten rating points. Annther good match for Kasparov or annther indifferent tournament by the world champion will be enough to put the younger man ahead.

Kasparov began his chess career very young. He was playing in the USSR under-18 championship at ten, in clock simuls agaiost grandmasters at 11, and in world-rated tournaments at 15. His example has been noted by nthers, and many chess federations now try to identify talent at the earliest possible age. Competitive experience as a child or teenager benefits a player's ultimate adult strength.

Britisb organisers bave pioneered weekend and longer invitations where promising players can take part alongside establisbed masters. The Slater and Robert Silk tournaments of the 1970s led the way, and another flourishing example is the annual Arc Young Masters sponsored by Amey Roadstone at Westergate, Sussex.

Winners in 1983 were grandmaster Nunn, former British champion Littlewood, the ex-prodigy Nigel Short and the rising Hampshire master Kosten, all with five out of six.

Jobn Nunn is a specialist in demolisbing the Caro-Kann Defence. His recent victims, all in games published in this column, include U.S. champion Seirawan at the interzonal and GMs Petrosian and Sosonko at Tilburg. Considering that track record, it was foolhardy of Black to venture the Caro-Kann in this week's game where the London grandmaster wins by a polished attack.

WHITE: J. D. M. Nunn.
BLACK: C. S. Crouch
Caro-Kann Defence
(Arc Young Masters 1983)

1 P-K4, P-QB3; 2 P-Q4, P-Q4; 3 P-K5, B-B4; 4 N-QB3, P-K3; 5 P-KN4, B-N3; 6 KN-K2, P-KB 3.

Varying from 6 . . . P–QB4; 7 B-K3, which lead to rapid disaster for Black in Nunn v. Sosonko, Tilburg 1982: White's reply is recommended by *Batsford Chess Openings* (BCO) as more forcing than the oldor 7 N-B4.

7 P-KR4, N-Q2; 8 P-R5, B-B2; 9 P-B4, Q-B2.

Black is trying to improve on BCO's game where Black exchanged pawns on his K4; but White's extended pawn phalanx is hard to undermine. His loss of time for piece development is offset by Black's excursion and retreat of the queen's bisbop.

10 B-K3, P-QR3; 11 Q-Q2, N-N3; 12 N-N3, P-QB4; 13 Q-B2!

A real grandmaster-style move. It keeps control nf the Q4-square as base operation for White's pawns, and it also eyes QR7 at a distance ready for Black's predicted queen's side castling.

13 . . . N-B5; 14 BxN, PxQP; 15 BxP(Q4), QxB; 16 O-O-O, PxP; 17 BxP, P-R3.

Black would like to develop normally by B-QB4 but then comes 18 Q-B3, N-B3; 19 P-R6! O-O; 20 PxP, KxP; 21 P-N5 winning a piece.

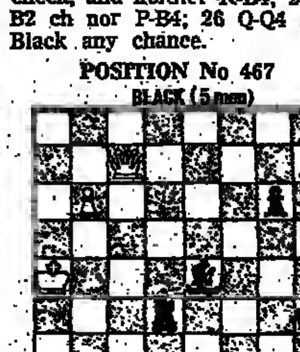
18 P-N5, O-O-O; 19 P-N6, B-K1; 20 Q-R7! Q-B3; 21 N(N3)-K4!

Crushing. PxN allows 22 Q-N8 mate, so the black king has to run into the crossfire of White's other pieces.

21 . . K-Q2; 22 P-B5, N-B3; 23 PxP ch, KxP; 24 BxN, PxB; 25 KR-K1, Resigns. White threatens a winning discovered check, and neither K-B4; 26 Q-B2 ch nor P-B4; 26 Q-Q4 give Black any chance.

POSITION No 467

BLACK (5 men)



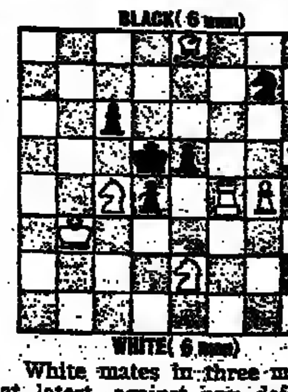
WHITE (4 men)

Bronstein v Tal, USSR championship 1975. After a 118-move marathon, ex-world champion was anticipating a draw as he waited for Bronstein (White, to move) to advance the nbvious 1 P-N7.

The puzzle is a dnuble one: (a) What was Tal'a planned reply to 1 P-N7? (b) How did Bronstein avoid Tal's trap?

PROBLEM No 467

BLACK (6 men)



WHITE (6 men)

White mates in three moves at latest, against any defence (by B. Hirst).

Solutions Page 14

APPOINTMENTS

Board changes at Showerings

Mr Michael Jackaman, a director of the parent company, ALLIED-LYONS, has become chairmao and chief executive of SHOWERINGS, VINE PRODUCTS & WHITEWAYS. He succeeds Mr Francis E. Showering, wno has relinquished this position but remains a vice chairman of Allied-Lyons. Mr Francis K. Showering has been appointed a director of Showerings Ltd., Shepton Mallet. He is the son of the late Sir Keith Showering, formerly chairman of Allied-Lyons. Showerings Ltd is a member company of Showerings, Vine Products aod Wbiteways. Mr Francis Showering Junior first joined the division in February 1977 and has beld various appoiotments in divisional companies inclnding Showerings, Vine Products Ltd., and Looza SA, Belgium, of which he is a director. In March 1982 he was appointed co-ordinating manager of Showerings.

★

Mr Roger Hortoo has been appointed director of ALGREY DEVELOPMENTS, private bousebuilding subsidiary of Dominion International Group. He was formerly sales and marketing director of Wates and succeeds Mr Derek Brooks—who will now concentrate on Dominion's expanded resideotial and commercial property interests in the UK and U.S., as a main board director.

★

Mr A. Henry Lyons bas been appointed director of property development of the NFC PROPERTY GROUP. He was formerly a director of Builders Amalgamated.

★

Mr David Kemp, Mr Michael McPhilimey and Mr Anthony Palmer have been appointed directors of INVESTMENT INSURANCE INTERNATIONAL (MANAGERS), part of Hogg Robinson Group.

★

Lord Gregson has been appointed chairman of the chemicals economic developmeot committee of the NATIONAL ECONOMIC DEVELOPMENT COUNCIL. He is executive director of Fairey Holdings; a part-time member of the British Steel Corp; a member of the House of Lords Select Committee on Science and Technology; and chairman of the Defence Manufacturers Association.

★

Mr R. Rider and Mr A. D. Gore have beeo elected directors of HOWARD HOULDER AND PARTNERS from April 1. From the same date Mr S. F. Cook, Mr M. G. Johnson and Mr D. W. Perry become directors of Howard Houlder (Chartering).

★

Mr John K. Bagnall, group managing director of Alfred Bagnall and Soos has been elected president of the FEDERATION OF BUILDING SPECIALIST CONTRACTORS for 1983-84. The new senior vice-presideot is Mr C. P. (Peter) Nichnls, chairman and managing director of George Nichols (Plastering), and junior vice-president is Mr Geoffrey Gilbert, chairman of Gilbert Turnbull.

★

At MANUFACTURERS HANOVER TRUST COMPANY Mr Michael Soper bas been promoted to assistant vice-president.

★

Mr J. W. Todd has been appointed to the BURGESS PRODUCTS (HOLDINGS) board as non-executive director to assist in the development and growth of the Burgess Group.

★

CAMBRIDGE CONSULTANTS has made the following board appointments: Mr Alan Murpby, formerly CCL's marketing manager becomes marketing director. Dr Derek Fuller becomes a director and will continne to be responsible for capital expenditure and the management of CCL's professional staff. Mr Richard Granger, manager of the business office, becomes ao associate director with responsibility for contractual arrangements with clients.

★

Dr Stephen Castell, chairman of Castell Computer and Systems Telecommunicatinns has been appointed non-executive director to tbe board of GODWIN ELECTRICAL.

★

Mr Tim Gutteridge has been appointed marketing director of CALLOG. He was managing director of the Britax child safety products division.

★

Two assistant directors for BRITISH GAS MIDLANDS RESEARCH STATION at Solihull, near Birmingham, have been appointed. Mr Lawrence Conway will have special responsibility for substitute natural gas and Dr David Lucas for safety studies.

★

Mr Robert Langford has been appointed director of the BRITISH CHEMICAL ENGINEERING CONTRACTORS ASSOCIATION (BCECA) from April 18 in succession to Brigadier Brian Birkett who is retiring.

★

J. LYONS AND CO (the food division of Allied-Lyons) has made Mr Frank Merry an assistant managing director. Mr Merry, a director of Lyons since 1967, is in charge of Lyons Tetley with responsibility for the other UK and European companies which, together with Lyona Tetley, form the grocery sector.

★

Mr C. K. Murray has been elected chairman of the JOINT COMMITTEE OF THE ASSAY OFFICES of Great Britain aod chairman of the BRITISH HALL-MARKING COUNCIL.

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Stunning fjords and cold tables

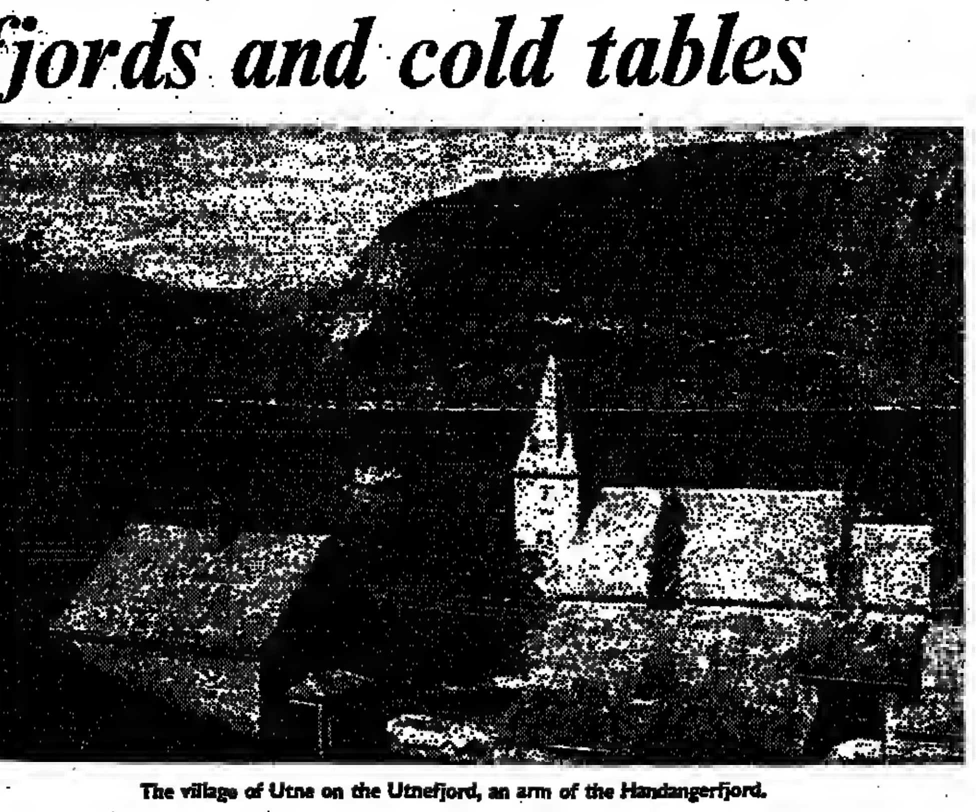
BY ONE OF THOSE odd quirks of history, the Kvikne's Hotel at Balestrand in Sognefjord owes something of a debt to Kaiser Wilhelm II. His admiration of the indisputable magnificence of the scenery and all those virile Norwegian legendary heroes moved him to have a couple of rather lumpish monuments (of King Bele and Fridtjov the Bold) erected in the area, where they can be seen today. In 1910 he was on a tour of inspection of the work, supported by a naval flotilla, when fire broke out at Balestrand, and thus did the Emperor of Germany rush in to take charge of the operations that put it out.

The Kaiser was not Sognefjord's only dedicated admirer. The British had discovered it in the late 19th century and flocked there, as they still do. So did many artists attracted by the stunning scenery and the potential customers. Today, Kvikne's Hotel, with all its ramifications appended to the older (and more attractive) building is one of Norway's top hotels in terms of comfort, majestic setting and, not least, food.

Their "cold table" is a visual joy; I counted over 50 items, each a minor work of art, plus a selection of hot dishes and a miscellany of exotic cakes. Most visitors stay in Balestrand for three-five days, combining it with a few days on another fjord and a couple of nights in Bergen. Through Norwegian State Railways such an arrangement, depending on season, costs in the £500-£540 range for 12 nights' full board in top-class hotels and return air travel; the price can be £100-£150 less in more modest establishments and, of course, the scenery is just the same.

The permutations on this multi-centre theme are almost as many as the number of fjords in Norway. A good alternative for those travelling with their own car is the "Freedom Tour of the Norwegian Fjords" featured by Danish Seaways, which enables you to stay at one or more of a choice of 13 first-class hotels (minimum of three nights at any of them) for a fixed price of £362-£423 depending on season and number of persons in the party. The cost covers the return North Sea crossing with car and ten nights in Norway with half board.

On a series of motoring holidays with fixed itineraries, Norway Only also include the cost of car ferries within Norway which, though heavily subsidised, can mount up if you're touring extensively. On the other hand, such is the complexity and majesty of Norwegian topography that almost any car ferry trip — as indeed any bus or rail journey — qualifies as scenic sightseeing of a high order. Threading its way through seemingly impenetrable mountain barriers to plunge down to yet another breathtaking fjordscape is an astonishing network of public transport.



The village of Utne on the Utnefjord, an arm of the Handangerfjord.

TRAVEL

SYLVIE NICKELS

With almost clockwork precision, buses and ferries or steamers or hydrofoils converge upon lonely jetties in spectacular settings. For those of us — with or without cars — who find pre-planning part of the fun of travel, the Norwegian Tourist Board produce a free, hefty brochure full of timetables of all the main air, road, rail and waterborne traffic connections we are likely to need.

Before long you find yourself wondering how on earth they managed in those remote valleys before the engineers bored roads and railways through those mountains. The answer it that it took them days, even weeks, to go to market to buy or to sell, travelling on foot or by packhorse and then by rowing boat or cargo vessel, and staying overnight in humble hosteiries that eventually flowered into hotels like the Kvikne's at Balestrand and the Brakanes at Ulvik in Hardangerfjord.

An idea of what life was like in those far off days can be gleaned in a number of open-air museums, one of the best of which is Molstertunet, a short, steep stroll above Voss. It consists of two farms totalling 16 buildings dating from the middle ages onwards, as picturesque to look at as they must have been uncomfortable to live in. Unmarried daughters lived in the storehouses in summer and, for warmth, above the cattle in winter. Entrance doors even to the main building were low to prevent intruders bursting in without warning and, having progressed from benches round the walls, adults slept sitting almost upright in short box-like beds, the better to be able to leap up in case of an alarm.

Lake-side Voss is very likely to feature on a tour of the western fjords, placed as it is about half way between the Hardangerfjord and Sognefjord systems. Apart from its ancient church, it is mainly a modern town and a good excusion centre. Local tours include a splendid full-day "Norway-in-a-nutshell" trip combining bus, boat and rail, and featuring Naeroyfjord which in places is a mere 400 yards wide beneath mountains soaring sheer to over 3,000 feet.

High above the Hardangerfjord system to the east is the huge wilderness plateau of Hardangervidda on which roam Norway's largest herds of wild reindeer. This is one of the hiking regions in which the Norwegian Mountain Touring Association run their unique self-service (as well as staffed) huts where blankets, food, fuel, etc are available at set prices, thus enabling serious walkers to enjoy true remoteness without the encumbrance of heavy packs.

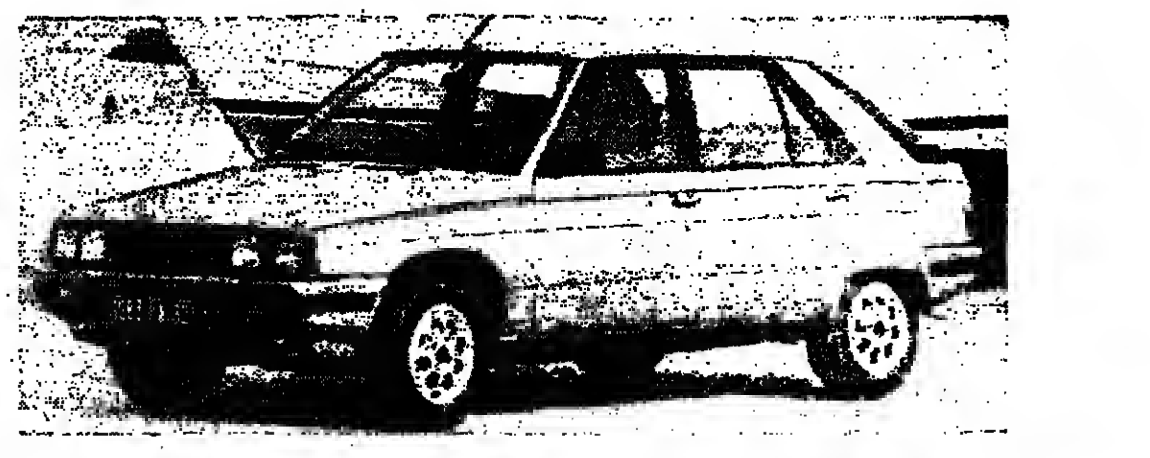
Hardangerfjord is also one of the best areas for magical mists of orchard blossom from hundreds of thousands of fruit trees, thanks to the Cistercian monks who originally introduced them to the area long, long ago. The end of blossom time coincides with the International Festival of Art and Music (this year May 25-June 8) in Bergen, that mellow Hanseatic former capital of Norway whose historic sights and surroundings are worth at least two or three days of anyone's time.

Further information: Norwegian Tourist Board, 20 Pall Mall, London SW1Y 5NE. Some tour operators specialising in Norway: Norwegian State Railways, 21-24 Cockspur Street, London SW1Y 5DA; Danish Seaways, Tyne Commission Quay, Tyne and Wear NE29 6EE; Norway Only, 126 Sunbridge Road, Bradford, West Yorkshire BD1 2SX; Fred Olsen Travel, 11 Conduit Street, London W1R OLS.

Breaking down in Europe

MOTORING

STUART MARSHALL



THE OUTWARD JOURNEY to Switzerland by Volvo's whispering 760 turbo diesel was sheer pleasure. At a steady 80 mph on the autoroute there was more noise from the tyres and wind than from the six-cylinder engine and this wasn't enough to give the stereo real competition. At 100 mph — easily reached on the level and handsomely exceeded on downgrades — there was no more than the beginning of a baritone hum to show the power unit was a diesel. When I tanked up just before entering Switzerland (French gasoil is £1.60 a gallon, Swiss is £1.82) I had averaged 35 mpg for 800 miles, half in Britain, half in France.

The return trip was another kettle of fish altogether. First hint of trouble to come was a failure of the glow plugs to heat up the day I left Geneva, which made starting difficult and spectacularly smoky. As soon as it had fired up, the engine ran perfectly. It lost power mysteriously for a few seconds at a time as I headed toward Paris and died on the outskirts of Dijon, just as dusk was falling.

Diesels aren't supposed to *suffer from electrical problems.* Providing the fuel still flows, they are almost impossible to stop. Clearly, an electrical fault was making the fuel cut-off work when it wasn't supposed to. I checked every terminal I could see in the fast failing light but in vain.

Next morning, I took a cab to the local Volvo dealer, explained the problem as best I could — what is the French for "I think I have an electrical fault that affects only part of the wiring loom but makes the engine stop if I blow the horn or make a turn signal"?—and returned to the car with a mechanic.

No, he couldn't make it go, either. He winched the Volvo up on his trailer and drove to the garage. An hour later I heard the comforting throb of the diesel running again and, £30 lighter, set off for Paris.

Everything was fine. I was just thinking that perhaps we would make the 6.15 Townsend Thoresen boat from Calais after all when the engine died again. With a bit of pushing and coasting, I got to a parking area *and phoned* for help. In the 90 minutes it took the breakdown transporter to arrive, I took off all the underfascia panels and tweaked every one of the wires. They looked like enough multi-coloured spaghetti to feed a family of six. Nothing, of course, happened.

So the Volvo was winched aboard for the second time that day. Auxerre and the nearest Volvo dealer was the next stop. In a couple of kilometres we were off the autoroute (you still have to pay the toll even if the car is travelling piggy-back) and the breakdown man said we would be at the garage in 10 *minutes*.

At *that precise moment* the truck lost a wheel and sank noisily on to its nearside rear brake drum. All I could do was laugh. There was no point in getting uptight and *shouting*. They wouldn't have understood me anyway.

But our luck had turned. Two and a half hours later the Volvo was at the garage. Providentially, there was a Hertz agency nearby so my wife and I were soon in a Peugeot 104, flying up the autoroute. We made Calais from Auxerre in 4½ hours, including a coffee and petrol stop, and caught the 22.45 boat with time to spare. Never had the cavernous car deck and brightly lit restaurant of Spirit of Free Enterprise been more welcoming. Feeling much better after a meal, we found ourselves at home only about six hours later than we had planned.

The episode, though disagreeable at the time, has some valuable lessons.

First, it proved that the modern car, with its complicated electrical systems, is marvellous when it is running but totally *baffling* when it breaks down. *The days when many a roadside* mishap could be fixed by tightening up a few connections or blowing through a blocked jet have gone for good — or ill. *The fact that the Volvo that* misbehaved was a diesel is neither here nor there. A petrol injection system with a fault can be opaque to all but an expert. And how can a motorist possibly trace trouble in, say, an electronic engine management component?

Next, one should never ignore a small problem (like my cold starting trouble) at the start of a 500-mile journey. Getting it fixed would have saved time and trouble in the long run.

Always carry plenty of money. Most French garages take Barclaycard-Visa or similar credit cards for fuel (though not all motorway stations do) but it will almost certainly be cash only if your car has to be recovered or repaired.

Finally, if you regularly drive across mainland Europe, it is a good idea to subscribe to Europ Assistance or something like it. Breaking down hundreds of miles from home can be an expensive business.

The TSE (pictured — the E stands for electronic) is the top model of Renault's latest car, the 11 batchback, with a voice synthesiser that not only tells you what is wrong but what you should do about it. For example, if low oil pressure is indicated, the voice tells you to stop the engine after pulling into the side of the road. The voice is male. Feminists would not like this, but Renault think owners will take more notice of a man when messages concern the workings of a car.

The 11 goes on sale in France next month but will not reach Britain until midsummer.

The 11s I drove in Brittany last week felt much like Renault 9s. They rode most comfortably, had nice seats, were quiet at up to 80-85 mph and were economical. My 32.7 mpg average in a 1.4 litre included some brisk *driving. The electronic instrumentation* was much less easy to read in bright sunlight than the old fashioned dials in another 11 I drove because *the lighting* was not *strong* enough and the anti-reflection cowling seemed too large and too low.

Renault say their elec*tronics are more sophisticated* than those of the new Maestro. Austin-Rover will, no doubt, disagree. What is beyond argument, though, is excellence of the Renault's six-speaker built-in stereo. Together with the electronic instrumentation, it will add about £600 to the basic cost of the car.

Prices and details of the 11 *models available in Britain* will be announced when they arrive. Though based on the Renault 9's mechanicals, the 11 is aimed at a younger and *sportier customer*. It comes with 3-door or 5-door bodies 1.1 and 1.4 litre engines with four power levels from 48 to 72 bhp, three transmissions *(four or five speed manual,* three speed automatic) and five standards of trim.

Lailan Young describes the high notes from Turin to Bari

Operatic magic and food in Italy

FOR LOVERS of opera in Italy the choice is between balmy summer nights in open-air theatres in Rome, Spoleto, and Verona, or the winter season of grand opera. We took our grand tour in December.

We began in Turin, capital of Piedmont and the Alps and the city of *Fiat* and *Lancia*, *La Stampa* and a richly endowed Egyptian Museum.

Turin's opera house astonishes: walls and ceilings curve to resemble a lady's powder compact in blues, mauves, white. Instead of chandeliers hang glass stalactites, while red chairs and a green curtain add to the boudoir effect.

Such is the enthusiasm of the locals for opera and ballet that 400 were allowed to stand, sit and squat in the aisles. Luckily no emergency sent us all fighting for the doors. While we might justifiably have felt nervous, the audience uninhibitedly unwrapped and munched sweets, and my neighbour was so enthralled with the Rome opera house's production of *Parsifal* that he nursed a sheepskin coat without discomfort through five hours of Wagner.

No visitor to Turin should miss the magnificent Sacra di San Michele, an ancient Benedictine monastery perched dizzily above a ravine an hour's drive from Turin, and thoroughly deserving its three stars in the green Michelin Guide to Italy (available in English).

Although non-Romans will tell you that Romans know nothing about opera, we noticed large numbers arrive at the Rome opera house with libretti and small battery torches. Although the opera house is in an unexciting area behind Via Nazionale, at least the problem of where to have a light meal at odd hours (matinees begin *at 4 pm or 5 pm for instance*) is solved by being able to order single simple dishes and wine at La Matriciana restaurant opposite.

We were amused by the amateurish antics of the "guards" in Rossini's *Semiramide*. Their troubled efforts to maintain straight lines and opera decorum gave welcome light relief to an audience disappointed by the standard of singing set by the largely non-Italian principals.

Sobered by the unexpected experience of not hearing great singing at an Italian opera house, we hired a car (our Ford Fiesta from Avis cost L374,000 for the week with unlimited mileage), and left Rome before daybreak to avoid the city's *crazy drivers*, and headed south to Naples.

It is no myth that Neopolitans love their wine, women and song, although no sign of affection for stranded women was evident during the taxi strike which enveloped us on our arrival in the worse-than-ever excruciating traffic jam. It took hours to cross the city, but the reward at the end of a long day was Verdi's *Ballo in Maschera* at the beautiful San Carlo theatre.

No-one much liked Cornelio Murgu as Riccardo, despite his recent success at New York's Met; those who shared our box called him "the Central European," but other members of the cast were treated to warm applause. Dressing in Naples was smarter than in Turin or Rome, the local ladies splendid in furs on a night when the temperature dropped to 52 degrees.

A good pizza tastes even better after a night at the opera, and we sought ours at Ciro pizzeria a couple of streets away in Via S. Brigida. The marinara at L2,500 was excellent — thin, crisp and garlicky (as a good pizza marinara should be), and it went well with Mastroberardino's Greco di Tufo (L7,000 a bottle). Outside we found ourselves surrounded by policemen *brandishing* pistols and machine guns.

A picturesque drive through the Apennines brought us next to Bari, at the top of Italy's heel and capital of Apulia. Little known to tourists, Bari's main attractions are the old town situated on a headland jutting into the Adriatic, a number of smart shopping streets, and as a touring centre for the dramatic coastline of the Gargano Massif to the north and to the south, villages of unique *trulli* — strange, white domed houses dating back to early Christian times.

The opera house management of Bari, second to Naples of the southern cities, lures the world's top singers, and this season's stars include Mont-Caballé, Katia Ricciarelli and José Carrerars, followed by Marilyn Horne and Pavarotti. Ballet was on offer during our stay, and for two hours we were mesmerised by the beauty and inventiveness of Carolyn Carlson's Dance Theatre from Venice's La Fenice.

We left the car at Bari's airport and took the local airline, ATI, to Milan. La Scala was all an opera house could be with Domingo, Mirella Freni, Bruson, Ghiaurov and Multi— as conductor—under one star-laden roof. The critics, of course, let rip their disapproval in the world's newspapers, but *the standard of singing*, La Scala's fine mechanical stage devices and the superbly dressed audience together made the performance of Verdi's *Ernani* for me an experience to treasure for all time.

Dinner after the opera at Biffi scala next door is fun; *Ernani* finished at midnight, but the restaurant was full, so you must book in advance.

● Information: We flew by Alitalia to Turin and returned by their roomy morning airbus from Milan, and all our hotels and opera tickets were booked in advance. Money is not the main problem of making a grand opera tour; getting tickets is. You stand the best chance if you have friends or business associates with privileged Italian connections. Otherwise, you must compete for tickets not wanted by each opera house's subscribers. Write for programme details early in September with an international reply coupon. Bookings are made by post, and money is refunded if seats you have requested are unavailable. Tickets can be claimed a few days before the performances on presentation of a receipt for payment. Prices start at around L14,000 (all one price in Turin) to about L35,000 and more for starry nights.

Cassa di Risparmio, Teatro Regio, Turin; Biglietteria del Teatro Comunale, Florence; Teatro dell'Opera, Rome; *Biglietteria*, Teatro di San Carlo, Naples; Teatro Petruzzelli, Bari; Botteghino, La Scala, Milan.

Where the risks lie

SKIING

ARTHUR SANDLES

SOMETHING OF a row is developing over whether skiing is getting more or less dangerous. The resorts and equipment manufacturers say things are safer, while the insurance companies argue that life on the slopes is more worrying than once was the case.

Latest figures from Europ Assistance endorse the insurers' view—and suggest that you run your greatest risk on the first couple of days of skiing, and while enjoying those memorable last few runs.

And yet, while in the Salzburgerland recently I was getting figures indicating that injuries are now down to around one in every 200 ski days. This compares with one or two per 100 days of a few years ago.

As usual, both sides are right. Ski boots these days are much tougher animals than once they were. Their height and inflexibility means that ankles are now trapped firmly and, regardless of the fall, tend to remain unhurt. Instead the injury moves up the leg, producing spiral fractures which can mean weeks in a hospital bed, or severely damaging the knee.

The efficiency of bindings actually means that there are fewer injuries than was once the case, but when an injury is suffered it tends to be more severe and longer lasting.

The only answer to this problem is to take considerable care with your bindings. Make sure *they are checked properly from* time to time. If you are a beginner be particularly wary of the ski instructor who tightens your bindings because they release frequently on falling.

SNOW REPORTS

EUROPE		
Anzere (Sw)	25- 75 cm	New snow above 2,000m
Crans (Sw)	*15- 80 cm*	*Worn patches on lower slopes*
Grindelwald (Sw)	5- 10 cm	Good snow on upper slopes
Isola (Fr)	130-180 cm	Recent snow storms
Murren (Sw)	40-160 cm	Good on north-facing slopes
La Plagne (Fr)	135-150 cm	Pistes still remarkably good
St. Anton *(Aus)*	*30-260 cm*	*Good skiing above 2,000m*
Sauze d'Oulx (It)	2-100 cm	Fair skiing above 2,000m
Tignes (Fr)	110-203 cm	Still good skiing
Verbier (Sw)	15-160 cm	Good skiing on upper slopes
Wengen (Sw)	5- 70 cm	Good spring skiing

European reports from Ski Club of Great Britain representatives.

THE U.S.		
Aspen (Col)	13- 62 ins	Packed powder. Some new snow
Hunter (N.Y.)	12- 72 ins	31 trails, 13 lifts open
Park City (Ut)	*0-125 ins*	*Four inches of new snow*
Squaw Val. (Calif)	84-228 ins	Powder/packed. New snow
Stowe (Vt)	0- 40 ins	Loose and frozen granular
Sugarbush (Vt)	7- 27 ins	Packed powder

Figures indicate depths at top and bottom stations.

Growing perennials from seed

GARDENING

ARTHUR HELLYER

I HAVE been planting delphiniums and was reminded how very different it was from what I would have been doing 50 years ago. Then every plant would almost certainly have been a named variety raised from a cutting or by division since seedlings were then of very inferior quality. All the delphiniums I have been planting now are seedlings and their flowers are excellent in every way.

The sale of named delphiniums must now be quite small, confined mainly to specialists who require a uniformity of result which even today's seedlings cannot quite give. Most people who grow delphiniums, as I do, solely for garden display find good quality seedlings entirely satisfactory and very much cheaper than vegetatively propagated plants. Like all seedlings they also start with a new lease of life unhampered by the diseases which inevitably build up in plants that are grown generation after generation. This is from cuttings, divisions, layers or any other vegetative means. Unless one excepts the very modern micro-cuttings which, because they are made from the rapidly growing tips of shoots, often escape the diseases of the parent plants.

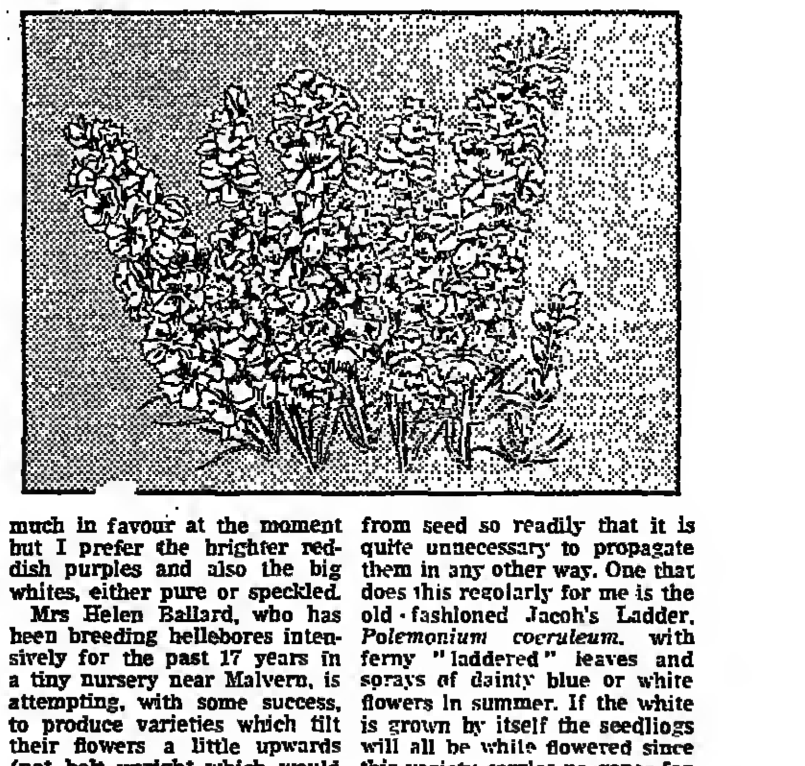
My own delphiniums were grown from seed of a variety named Dwarf Blue Fountains which gives individual flowers as large and almost as varied in colour as the popular Pacific Giants but on a plant that is only about 4 ft high. Hurst, who raised it, catalogue it as 2½ to 3 ft but with me, perhaps because my soil is fairly heavy, moist and rich, it grows taller but nevertheless requires little staking. I sowed the seed in an unheated greenhouse in March 1982, planted out the seedlings a foot apart in my vegetable garden in early June and they were all flowering in August. They have overwintered without loss and when I lifted them for replanting in a mixed border I found that they came up with heavy clumps of roots. This augurs well for this year's display which should be in June-July, the normal delphinium season except for first year seedlings.

There has been a similar change from named to seedling plants with lupins but not, as far as my experience goes, so successful as with delphiniums. I regard the heyday of the lupin as the 1950s when Bakers of Dodsall were growing dozens of Russell varieties from cuttings, beautiful things such as Blue Jacket, Fred Yule, George Russell, Mrs Micklethwaite, Thundercloud and Tom Reeves which have never been surpassed for quality. Unhappily they fell victim to virus diseases, bane of so many *vegetatively propagated plants*, and gradually seed strains took over.

Although these are sold as Russell Mixed or some such title they seldom, in my experience, produce anything like those early Russell introductions. It cannot be impossible to do this for I have one fine red lupin which I got from Mr Martin Furniss whose beautiful garden at Cobblers, Jarvis Brook, East Sussex, has been so popular with visitors when it is opened for charity. He had selected it from a batch of seedlings and it seems to reproduce itself fairly true to type from seed. This is as good as Mrs Micklethwaite as I remember it and it suggests to me that, if someone really set their minds to it, we could have seed varieties of lupin as good as the best of the seed raised delphiniums. Maybe it has already been done and I have missed it.

A perennial that almost everyone raises from seed nowadays is the Lenten rose, *Helleborus orientalis*. I do not mean by this that they deliberately sow seed and plant out the seedlings which can be quite a slow job since hellebore seed needs a period of cold to prepare it for germination and if simply sown in pots in a greenhouse or frame in spring is likely to remain dormant until the following year and even longer if the greenhouse is heated. Once Lenten roses are well established in congenial surroundings — a rather moist, humus-rich soil and a little shade — seedlings are likely to appear spontaneously and one simply has to collect them and replant elsewhere. That is the way my own collection has grown and maybe it is because I have a plant of the very deep purple *Helleborus atrorubens* among one batch of *H. orientalis* that this lot produces the best purple flowered seedlings.

All hellebores are so slow to propagate by division that there is a natural preference to raise them from seeds but one professional told me recently that she has enlisted the help of one of the new micro-propagation units—which seem to be springing up all over the place—and was getting very rapid and successful increase of her best hellebore seedlings. I gathered that she was using the technique primarily to enrich her collection with the dark colours so much in favour at the moment but I prefer the brighter reddish purples and also the big whites, either pure or speckled.



Mrs Helen Ballard, who has been breeding hellebores intensively for the past 17 years in a tiny nursery near Malvern, is attempting, with some success, to produce varieties which tilt their flowers a little upwards (not bolt upright which would be ugly) so that they can be seen more clearly. My daughter was taking some friends round the garden recently and they were about to pass the best Lenten roses without noticing them until she lifted a flower up without comment and they were amazed by its beauty.

Some perennials reproduce from seed so readily that it is quite unnecessary to propagate them in any other way. One that does this regularly for me is the old-fashioned Jacob's Ladder, *Polemonium coeruleum*, with ferny "laddered" leaves and sprays of dainty blue or white flowers in summer. If the white is grown by itself the seedlings will all be white flowered since this variety carries no genes for colour but even one or two blues among them will produce a predominance of blues since the colour is dominant. This is a very pretty plant for an open or semi-shady place and one which spreads so freely in favourable places that it is *necessary to thin drastically to* prevent overcrowding.

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Le Vieux Carré

BY ANTHONY CURTIS

The Little Drummer Girl
by John le Carré. Hodder and Stoughton. £8.95, 430 pages.

After Smiley, what? Or rather, who? Answer: an Israeli Smiley. When we first meet him, in Bad Godesberg, he is known as Schulmann. He has been sent there to head a team of Israeli intelligence to assist the German police after a bomb has gone off in the house of his country's Labour Attaché, killing the man's small son. Later when the investigation branches across Germany, Greece, Switzerland, England, Lebanon, we know him simply as Kurt, though he adopts several aliases in pursuit of an international cell of PLO terrorists who are planning a series of bomb attacks on selected Jewish targets throughout Europe.

Kurt is to Israeli Intelligence what Smiley was to the Circus, a loner, a guru, a rebel within his own cadre, a professional of infinite resource, prepared to put his own head on the chopping-block many times over. Within that head there is a brain of Holmes-like infallibility, capable of drawing many diverse *threads together into* a noose which tightens inexorably around his victim's neck. Naturally enough, there are differences of temperament: Kurt is quick where Smiley is slow, foxlike where Smiley is elephantine, voluble where Smiley is taciturn. Kurt has, in the words of his German opposite number, "driven urgency . . . He was a kind of human ultimatum, passing on to his team the pressures that were on himself."

Like Smiley, Kurt is the Control for agents whom he sends into the field to do the dirty work. It is not only his own head that he risks on the chopping-block, but their heads too. *The Little Drummer Girl* is about the recruitment, training, dispatch and performance under extreme pressure of one of these agents, a small-time English actress called Charlie. *So, what is new? Well,* Le Carré has never used a woman agent at the heart of the matter before, the intolerable double-bind of having two families, two fathers, two identities, each wrenching her self-respect in opposite directions, has not in any previous Le Carré novel been suffered by a woman ("those frail vessels," as Henry James described the young feminine consciousness at the heart of a novel.)

What better individual for simulating loyalty to the PLO, and thus flushing out the leaders of its terrorist wing, than an actress? As Kurt puts it.

> "The part we have in view for you combines all your talents, Charlie, human and professional. Your wit. Your excellent memory. Your intelligence. Your courage. But also that extra human quality to which I have already referred. Your warmth."

However hollow this may sound, Charlie falls for it. She undergoes instruction from Kurt and his henchman, all depicted with great shrewdness and *aplomb*. She *accepts* a role in what one of their number calls with heavy irony "the theatre of the real." The handsome terrorist they are after uses non-Arab girlfriends to deliver the lethal packages where they will hurt most. Charlie is rehearsed in the part of one of these girlfriends until she knows it by heart. Needless to say she falls helplessly in love with Josef, her bullet-scarred Israeli instructor, and their training programme in some of the loveliest parts of Greece turns into a honeymoon. It is a passion which is destined to be put under severe strain when she eventually starts her mission for real, and meets the wounded Arab leader for whom she conceives an instant passion even more consuming than that for his Israeli adversary.

John le Carré: among terrorists

If I make this part sound rather like an up-dated version of the saga of the Beautiful Spy, blame le Carré. There is something novelette-like about the plotting of this novel. The one point to be made in its favour is that it is not at all difficult to follow. The charge often levelled against le Carré, that the deviousness with which his characters pursue their assignments infects his own power to communicate the narrative to the reader, does not stand up here. Many of his characters remain highly devious but he plays fair. Everything is brought into the open—eventually. What redeems the book from its schoolgirl crush is its author's acute contemporary awareness.

Le Carré is only a part-time escapist. For most of the book he is a self-appointed too foreign-correspondent whose despatches take the form of fiction. Like his own intelligence chiefs, no character is deemed too minor or unimportant to merit le Carré's fully alert attention and there are dozens of brilliantly sketched characters to delight the reader as he follows Charlie along her descent into the circles of a modern hell. It is not just a multiplicity of characters we see around her, but whole families of characters, people in different social and professional groups: actors, diplomats, security police, members of a PLO camp in Lebanon before the Israeli advance, academics and members of the opposition within Israel. Le Carré finds a part for them all. He pays them the compliment of trying to understand their commitments and values. Hence, the book cannot accurately be described as being either pro-Israel or pro-Arab. As a novelist he sees the heartbreak on both sides even if he permits himself to be dazzled by the glamour of his heroes.

In his foreword the author *writes: "Many Israelis and* Palestinians gave me their help in writing this book." He has clearly taken great pains over the research. Even so a few tiny solecisms have crept in. There is a stop on the London Underground described as "Embankment Cross"; the elderly Jewish couple from the Hebrew University in Jerusalem arrive in Stuttgart with "belated Christmas presents," and Charlie's theatrical agent, an endearing old soak, is presented as being of all improbable things, a member of the Garrick Club.

Humane Newman

BY RACHEL BILLINGTON

A Packet of Letters: *A Selection from the* Correspondence of John Henry Newman
edited with an introduction by Joyce Sugg. Oxford University Press, £16 (£6.95 paperback), 230 pages.

Newman's complete letters and diaries are gradually being published in 31 volumes. *A Pocket of Letters* thus aptly describes the 155 that are printed in this book.

It will no doubt be treated by Newman scholars as an *hors d'oeuvre*, in the *cuisine minceur* style, to the grand feast ahead. However it has much to offer to the ordinary reader who knows Newman began as an Anglican vicar involved with Keble and Pusey and ended up as a Catholic Cardinal, but very little else. It may even, by its emphasis on the more personal side of Newman's charac*ter, teach a thing* or two to those whose knowledge of the ideas of the man has slightly obscured the man himself.

Certainly this seems to be Joyce Sugg's editorial concept. She notes in her introduction that many of the letters she has chosen are written to women. She points out that Newman, although deciding on celibacy on his conversion to Anglicanism at the age of 15 and thereafter living entirely in male communities, wrote many of his most personally revealing letters to women.

These sisters, nieces, nuns or mothers who applied to him for advice brought out a more *human and gentler side of his* nature not evident in his theological writings. They also show him to be a more practical man than is generally thought and more in touch with the affairs of the world. Particularly in early letters, he describes in great and amusing detail his surroundings, whether it be a boat crossing the channel or an Oxford college in autumnal glory. Even later in life he takes time to describe a hilarious visit to Ireland when his driver purposefully set him down at the house of the Anglican bishop; this was after his conversion to Rome.

This does not mean Newman favours *only men* with his views on higher matters. To Mrs William Wilberforce, he wrote in 1834: 'The more I examine into the R.C. system, the less sound it appears to me to be . . .' To his sister, Mrs John Mosley in 1838, he explains his method of writing, which involves constant corrections: '—I begin to correct again—it will not do—alterations multiply—pages are rewritten—little lines sneak in and crawl about—*the whole page is disfigured.* I write again . . .' He then compares the whole process to 'a very homely undertaking . . . washing a sponge of the sea gravel and sea smell.'

This kind of approach to his work makes the letters entertaining and easy to read. Joyce Sugg, admittedly, has left out any very long letters on doctrinal matters which she feels would overweight such a short book. But there are still many which throw a light on his development as a religious thinker and teacher. In a letter written to John Keble in 1844, he looks back to a visit to Italy which culminated in his near-death of a fever in Sicily and his recovery under the persuasion that 'some work was in store for me.' He goes on to analyse his ever growing conviction that 'the Roman Communion is the only true *Church' and the anguish this* causes himself and will cause others so that '. . . all inducements and temptations are for remaining quiet, and against moving.'

In 1863 we read the letter which Newman wrote to Macmillan, the publishers, protesting at Charles Kingsley's reference to him in their

Cardinal Newman: counselling through the post

magazine. He quotes: 'Truth for its own sake, had never been a virtue with the Roman clergy. Father Newman informs us that it need not, and on the whole ought not to be . . .' *This* led to the writing of the *Apologia Pro Vita Sua*. In a letter written apologising to a nun for replying late, he refers to his present work.

> '. . . a book of 562 pages all at heat; but with so much suffering, such profuse crying, such long spells of work, sometimes 16 hours, once 22 hours at once, that it is a prodigious awful marvel that I have got through it . . .'

Meanwhile Newman was involved in many schemes for extending the understanding of Catholicism in educational and literary circles. Many of these failed or rebounded on him. He never *managed* to successfully establish an Oratory in Oxford as he had in Birmingham. He was sued for libel in a very unpleasant case lasting two years and he was ordered by his Bishop to give up writing for the Catholic magazine, Rambler, after he had been delated to Rome for suspected heresy. Perhaps it is not surprising that in 1869 he wrote with rather unChristian gloom, "Plan after plan has crumbled under my hand and come to nought."

Nevertheless, in 1879 (when he was 78-years-old) he found himself once more in Italy, this time receiving a Cardinal's hat from Pope Leo XIII. He describes in a letter home not only the Pope's enquiries into his work at the *Oratory* but also his appearance:

> "I certainly did not think his mouth large till he smiled and then the ends turned up, but not unpleasantly . . ."

This combination of the serious and the human makes the letters fascinating at every level. 1990 sees the anniversary of Newman's death and there are moves to use it as a spur towards his canonisation. It is a *remarkable saint* who writes a poem in thanks for a present of cakes:

> Who is it that moulds and makes,
> Round, and crisp, and fragrant cakes?

Also quite a change for the man who Evelyn Waugh considered among the greatest stylists in the English language.

Raja roars in

BY VALERY McCONNELL

A Tiger For Malgudi
by R. K. Narayan. Heinemann, £7.50, 175 pages.

Swami and Friends
by R. K. Narayan, Heinemann, £7.50, 184 pages.

Malgudi Days
by R. K. Narayan. William Heinemann, £7.50, 244 pages.

R. K. Narayan: *A Critical Appreciation*
by William Walsh. William Heinemann, £7.95, 172 pages

The Bride
by Bapsi Sidhwa. Jonathan Cape, £7.95, 245 pages.

If *Midnight's Children* left you reeling from Salman Rushdie's ability to cram all of India since 1915 into 463 pages, then the novels of R. K. Narayan will seem like a cool glass of water after a hot, spicy curry. His province is small, a fictional town in South India called Malgudi and he has been writing about the concerns of its inhabitants for the past 47 years.

His latest novel, *A Tiger for Malgudi*, deals with a familiar Narayan preoccupation: the clash between mystic, unchanging India and a constantly shifting and Westernised society. By making the narrator a Tiger he has found an intriguing new angle from which to explore the confrontation.

Raja the tiger is captured by a circus owner who subdues and trains him by fear and then loans him to an ambitious film director who is infatuated with Hollywood. Raja's uncomprehending eyes afford us a distasteful if comic view of the men's antics — *constantly* chasing deadlines, money and fame. The tiger escapes into Malgudi, where it is saved from being shot by a Sanyasi, a mendicant yogi who communicates with him as though he were a fellow human. They become companions and Raja is taught a mystic interpretation of the world and learns to evaluate his own past life, as he does throughout his story.

However bizarre the notion of a deeply spiritual tiger may be, we must accept it at face value and not try to turn the novel into an allegory. Raja is a flesh and blood tiger, not an abstract concept. Compared with the false reality of the circus and film-set, his life of meditation seems a haven of common-sense.

As a counterpoint to this new novel, his first, *Swami and Friends*, which recounts the adventures of a Malgudi schoolboy has been reissued. There is more humour and less depth, but the same ability sympathetically to enter another being's world — here the day-to-day, precarious urgency of childhood. Swami is ruled by the obsession of the moment, be it the possession of a hoop, the fear of a bully or batting for his best friend's cricket eleven. The book is well worth a second innings.

Malgudi Days is the first complete collection of R. K. Narayan's short stories. Many of them are of the O. Henry type, existing mainly for the denouement in the last paragraph. Yet even at their most contrived they are alluring insights into another culture. Should you never actually read the stories the book is worth buying for its picture map of Malgudi—a delightful aide-memoire for all Narayan buffs.

A much weightier guide to his work is William Walsh's *R. K. Narayan: A Critical Appreciation*. His style betrays his academic origins; he is acting Vice-Chancellor of Leeds University. However, he offers a thorough and chronological study of all Narayan's writings and gives an English reader an understanding of the author's place in the mainstream of Indian literature.

A recent addition to the growing band of novelists from the sub-continent is the Pakistani novelist Bapsi Sidhwa, who has just published her second novel, *The Bride*. Where Narayan is cautious, probing and particular, Mrs Sidhwa is flamboyant, incisive and expansive. The bride of the title is a girl brought up in the gossipy enclosed ways of the *women's quarters in* Muslim Lahore, to be then forced by marriage into the bleak world of the Himalayan tribes. Here, poverty and her husband's jealousy threaten to overwhelm her.

If the author's racy prose has a touch of the Harold Robbins about it, she also shows a marvellous feel for imagery, writing of refugees in a camp, "grinding together like wheat kernels in a mill." At a breathless pace she weaves her exotic cliffhanger from passion, power, lust, sensuality, cruelty and murder. How very different from the home life of Malgudi!

Crime Club

Two outstanding newcomers

Robert Tine
'a discovery full of promise' — *Guardian*

State of Grace
'Altogether a very satisfying performance' — *Daily Telegraph*
'Told with a taut assurance remarkable in a first novel' — *Oxford Times*
'Keeps us on the edge of our hassocks' — *Sunday Times*
£6.75

Carol Clemeau
'a welcome and civilized newcomer' — *Daily Telegraph*

The Ariadne Clue
'A mythic debut of charm and craft' — *Sunday Times*
'Literate, lively, neatly put together and well plotted...a notable debut' — *The Times Literary Supplement*
'A Grade A debut' — *Observer*
£6.75

Forthcoming attractions: novels by Elizabeth Ferrars, Jonathan Valin, Marian Babson, Patricia Moyes, and Robert Tine's second novel, *Uneasy Lies the Head*

Why not ASK your bookseller?

Collins

Man on the spot

BY STEWART DALBY

Don't Worry About The Money Now
by Sandy Gall. Hamish Hamilton, £8.95. 333 pages

Anyone who has pursued in recent years the curiously adolescent profession of foreign correspondent covering war and revolution in hot climes (although with the Falklands perhaps we must now also include cold climes) will find no shortage of sceptics about what he or she does.

As the dashing war correspondent (usually tall and good-looking with a permanent tan) describes his feats of derring-do and extraordinary sangfroid, in the face of dangerous tribal folk waving guns under his nose, members of his audience as often as not shake their heads in disbelief and come up with something like: "you've never heard a shot fired in anger, we all know it's done from the nearest bar."

The perception is of a glamorous *profession*, part boy scout, part adventurer, part instant historian and part diplomat. Above all it seems to be immense fun, lots of stories and camaraderie against a background of huge expenses and in reality very little danger.

If the occupation itself gives rise to detractors, then to collect together one's escapades into a book of memoirs can seem even more dubious. There might be a few good belly laughs to be had as empires crumble and people kill one another for no durable reason, but essentially it is an indulgence to write this kind of book, of interest only to other hacks who might have done the same kind of thing.

Yet, reading the latest contribution to the genre, Sandy Gall's engaging and entertaining *Don't Worry About The Money Now*—the title comes from a catch phrase from his boss at Reuters who did not want to give pay rises—I wonder if the journalistic memoir does not have a wider validity.

Consider the nature of events Sandy Gall has specialised in: the Congo in the 1960s, Hungary after the 1956 revolution, Vietnam at the beginning of the American involvement and at the end.

By putting his experiences into book form, Sandy Gall has been able to capitalise on the fact that he has been a privileged—if privileged is the right adjective for some of the *ghastliness* he has witnessed—front row spectator at some of the most convulsive happenings this century.

At the same time, with the backward look, he has been able to make a sharper focus and obtain a better perspective, without too much distortion.

His descriptions of Kenya in the last days of colonialism, when he ate "beneath the salt" with the prettiest of Sir Evelyn Baring's daughters, off lace table-cloths, with fine silver, more accurately captures that twilight period than many a dusty official history.

The way he picks his path through the very confused events in the Congo in the early 1960s represents one of clearest and most concise recapitulations of that messy period available, in English at any rate. His description of Patrice Lumumba, the first Congo Prime Minister's death is strangely moving, even though Sandy clearly did not care for the man.

The point about Sandy Gall is that he is a nice, well balanced man who, *for* a Briton (in fact he's a Scot) of his background, is largely free of class hang-ups. He also carries little *ideological* baggage, although he has his causes like us all. He has thus gone around the world and behaved in an even-handed manner—president or peasants, they have all got equal time, if merited. He has tried to do what ideally the reporter should do, find out, in so far as is possible, exactly what is going on and tell it as straight as possible. Sandy Gall has become better known as a newscaster recently. By writing this book, which is entertaining and serious by turns, he has shown he is more than a face on the box and has had, and is having a worthwhile, not to say enjoyable, alternative career.

Two sketches of the singer Yvette Guilbert from Edward Lucie-Smith's "Toulouse-Lautrec" (Phaidon £12.50)

Tracks in sand

BY DAVID PRYCE-JONES

Traces of Travel
by Gerald de Gaury. Quartet, £13.95. 224 pages

As a young officer in the First War, Gerald de Gaury was inspected by Lord Kitchener. A senior officer in the Second War, he was in Cairo, with Lord Wavell. Soldiering has taken him from Gallipoli in 1915, and the trenches in France, all the way to the freeing of Baghdad from the pro-German Rashid Ali in 1941. In his experience, those about to die in battle often had a premonition of it. He never felt it himself, although wounded four times.

As civilian diversions, he has tracked down the Holy Grail in a church in Genoa, as well as a feather from the Archangel Gabriel's wing in a Portuguese monastery. His distinguished looks earned him a part in the film of *The Leopard*. Princess Marthe Bibesco, Gertrude Bell and Freya Stark, old Lady Salisbury, the Marchesa Casati: a natural courtier, he is at ease with names like these. In his late eighties now, he writes a throw-away prose which sets off his reflective curiosity about everything he has known.

Like the John Buchan character that he is at heart, he spent the best years of an adventurous life in the Middle East. Joining the First Regiment of Arab Levies in 1924, he was stationed in Iraq, at the time a British Mandate. Becoming Political Agent in Kuwait, and then chargé d'affaires to the Iraqi Regent, he was one of the small band of men who had the confidence of Arab rulers in those last years of the British empire.

A procession of dignitaries step out of the shadows of what has become history, Abdullah of Transjordan, Abbas Hilmi once Khedive of Egypt, the Sheikh of Mohammera, the Sheikh of Kuwait, Abdulilah the Regent of Iraq, and his nephew Faisal. How to modernise without jettisoning valuable tradition was the task which faced them. Goodwill and ability were not lacking, and de Gaury would not say the same of their successors, who all too often were also their murderers.

Some of these set-piece impressions have been published elsewhere. All of them seize upon significant detail or evoke the mood of a moment. Perhaps the best is an account of visiting Riyadh in 1934, at the invitation of Ibn Saud. An escort was provided. Arab dress was obligatory. Ibn Saud's audiences were masterly, and afterwards it was a mark of signal favour to be shown round the harem, the ladies happening to be away at a wedding. Among the few Christians *permitted* to live in the city was St. John Philby, that bizarre renegade, father of Kim, an even more bizarre renegade. He had in tow an Arab girl who was compared locally to an eight-cylinder motor, for obvious reasons. As de Gaury drily remarks, "Philby did not take Mrs Philby to Riyadh."

Ten years later, de Gaury found Ibn Saud wondering why British attitudes towards him were changing—he was reflecting, in other words, that the time had come to turn to America. The years witnessed by de Gaury may have been a golden age for the Arabs, however brief and *ill-fated*. Too wise to rue the past or to rail against the present, de Gaury lets events speak for themselves.

Emirs and pashas, battleships and uniforms, all the styles of grandeur which he loved, have vanished. To feel every humour in the circumstances, and to be free from spite, is itself part of the grand old style.

Larwood era in retrospect

BY KEVIN HENRIQUES

Ashes in the Mouth: The Story of the Bodyline Tour
by Ronald Mason. Hambledon Press, £7.95, 238 pages

Ronald Mason's sensibly, sensitively written study of the still notorious "body-line" series is timely, if only for the fact that this past winter was the 50th anniversary of England's *successful campaign to win back* the Ashes, employing methods which at the time outraged the battered Australian team and its supporters, but which, in the climate of the more violent 1980s, would scarcely jeopardise (as it did then) the future of Anglo-Australian Test cricket.

Justifying the publication of "yet another book" on body-line Mr Mason explains that his is intended to be an objective appraisal: looking at the controversy, not as one of the participants or spectators, but in its historical context, in a detached and judicious way.

He draws upon much of the vast literature on the series, including Jack Fingleton's *Cricket Crisis* ("the most succinct and comprehensive account of the body-line tour and its beginnings"). But he is not afraid to challenge previously accepted opinion on key matters; for example, the—reputedly crucial—over bowled by Harold Larwood in the 1930 Oval Test to Don Bradman, the Australian run machine for whom body-line was primarily devised.

Mason, then 18, was present. He disputes that this single over, the last of a rain-interrupted day, bred the germ, as Fingleton and others contend, of the concept of short-pitched bowling to a leg-side field as operated by Larwood, Bill Voce, and Bill Bowes, on the 1932/33 tour.

The roles played by the main participants in the unsavoury drama are re-examined. Mr Mason does not produce any *startling* evidence to overturn the repeated evaluations of Jardine and Larwood: the former ruthless, loyal, single-minded, aloof, yet possessing some warmth and charm; the latter a truly great fast bowler, a doughty professional cricketer, always conscious that the game was his livelihood *and obeying the* instructions of his demanding, mostly unfeeling captain.

Jardine's decision, in the final Test, to send Larwood in as nightwatchman, to the bowler's unconcealed outrage, is re-examined in the light of evidence that the idea was originally not Jardine's but the vice-captain's, R. E. S. Wyatt. Mr Mason also suggests that Eddie Paynter's celebrated escape from hospital to bat at a crucial time in the fourth Test was prompted by orders from Jardine and not, as legend has it, an impromptu gesture of heroism from the tonsilitis-stricken Lancashire batsman.

Mr Mason rightly reiterates strictures on Sir Pelham Warner, co-manager of the tourists and chairman of the selectors, for his pusillanimous attitude to bodyline bowling during the tour. Sir Pelham, an influential, much respected figure in cricket, strongly insisted in print several times before and after the tour that he was opposed to short-pitched bowling. Indeed, a few months before the tour, he publicly criticised the tactics of one of the bowlers, Bill Bowes, whose selection he later approved for Jardine's team. Yet during the stormy days of the 1932-33 winter Sir Pelham maintained what, at best, can be described as a deafening diplomatic silence.

Here, as elsewhere, Mr Mason has delicate glances of wit. It is a tribute both to his historical sense and his overall judgment that into so contentious an issue he is able to inject small doses of humour. To assuage those who doubt the advisability of "yet another book" on body-line reassurance comes in the introduction by R. E. S. Wyatt, well-qualified to judge, who pays tribute to the accuracy and truth of Mr Mason's conclusions.

Adam & Charles Black
The essential reference book
WHO'S WHO 1983
is now available £42
WHO'S WHO

HOW TO SPEND IT

by Lucia van der Post

SEW AND SEW

I sometimes am swept with a romanticised, pre - Industrial Revolution vision of Britain, in which I see whole households all stitching away at some soothing tapestry work. It may sound dotty but the many small companies that have sprung up in recent years whose sole *raison d'être* seems to be to provide stitchers of tapestry with the wherewithal to pursue their hobby bears witness to the fact that it is a large and growing market.

Most of these small enterprises have been successful because they saw an obvious gap in the market—the old-established big companies who provided the kits, the canvasses and the wools seemed not to have changed their designs or colours in years. The whole hobby was surrounded with an aura of stuffy gentility and the younger, increasingly craft-orientated generation was left uncatered for.

In the last few years all that has changed. There are now designs and colours available to almost everybody who has ever wanted to make something special and individual for their home. Whether you want a bright, new modern design, a gentle, old-fashioned sampler-like picture or an elaborate, almost painterly effect there will be something, somewhere for you on the market.

One of the new companies that seems to have grown very fast indeed is Glorafilia. I've featured its complete kits often enough on this page for it always seems to have something new and up-to-the-minute to offer. Its latest, and perhaps most ambitious, scheme has been to link up with the Royal Academy of Arts and launch four tapestries based on as faithful an interpretation of four paintings as it is possible to achieve with needle and thread.

The two women who started Glorafilia, Carole Lazarus and Jennifer Berman, took great care over the four paintings they chose to turn into tapestries and the choice is admirably wide, ranging from a strong portrait in blue, black beige and red by Philip Sutton (called "The Manet Lady") to the softly-framed "Window Image" by Leonard Rosoman which has an almost sampler-like gentleness about it.

Then there is "Morning, Volterra" designed in conjunction with Bernard Dunstan, which shows a nude sitting on a bed in one of those sunlit rooms that the work of the impressionists has imprinted so clearly in all our imaginations.

Finally, there is a very boldly coloured "Still Life with Flowers" taken from a picture by Edward Wolfe — strong yellows, rusts and blues dominate the picture.

All these tapestries can be bought either from the Royal Academy of Arts, Burlington House, Piccadilly, London W1, or from needlework shops and department stores up and down the country or, finally they can be bought mail order directly from Glorafilia, The Old Mill House, The Ridgeway, Mill Hill Village, London NW7 4EB (01-906 0212): Glorafilia will send colour illustrations of the four designs if you would like them. The kits come complete with colour silk-screen printed canvas, colour photograph, needle, wool and/or coton perle. Prices are £19.95 for The Manet Lady, £29 for Window Image, £37.50 for Morning, Volterra and £39.50 for Still Life with Flowers.

Stitchery is a small company well worth knowing about, because although the selection of designs it offers is small, almost all are exceptionally charming. Some readers may remember the little sampler-like kit Stitchery produced to celebrate the arrival of Prince William (the kit can be adapted to bear the name of any baby or child, as well as the birth date). Since then the company has produced a full-colour mail-order leaflet, which includes not only the Birthday picture but a much larger, prettily coloured Celebration Sampler, a design for a stool top, and a whole range of designs for cushions. The kits use crewel wools, bound canvas and have clear stitch charts and instructions.

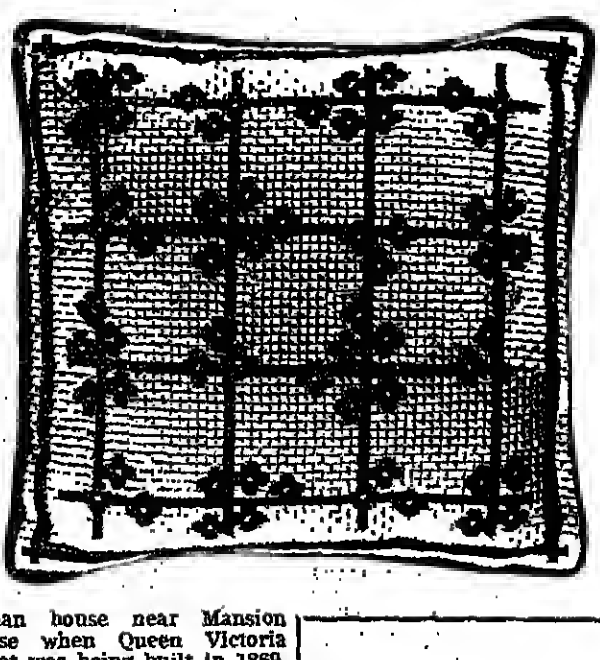
The prices seem exceptionally reasonable — the Celebration Sampler, for instance, is £14.95, the tiny Birthday picture is just £5. Write to Stitchery, Rose Cottage, Watts Road, Thames Ditton, Surrey, for the leaflet and price list enclosing a sae.

Now that good-quality genuine antique samplers are almost impossible to find (they've mostly gone to America, so a local antique shop told me recently) many people might like to make for themselves a needlework picture which has that old-fashioned gentle quality.

The design that I think is nearest in flavour to the old originals is Cottage Garden, from the Coleshill Collection. You have to count the stitches out yourself (though my secretary, who has nearly finished one, tells me that that is easy enough) and you can use the border to work in your own names and dates. It is £12.95 for all wools and the canvas. Write to the Coleshill Collection, Ash Cottage, Coleshill, Amersham, Bucks.

Finally, a needlework tapestry that re-creates as nearly as possible the central part of the mosaic found on the floor of a Roman house near Mansion House when Queen Victoria Street was being built in 1869. 12 ins by 12 ins, it comes in kit form, with all wool and canvas, for £11.95 either from the British Museum or from Clio Design, 54 Kensington Court, London, W8. Colours are the authentic blues, terracotta and greens.

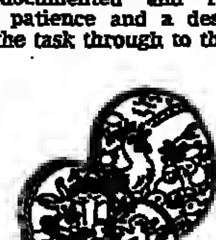
Above left and right are two of the tapestry kits which are the result of the collaboration between Royal Academy of Art artists and the tapestry firm of Glorafilia. Philip Sutton's "The Manet Lady" is at the left and "Window Image" by Leonard Rosoman is on the right. Near Left is the tapestry version of a mosaic tile found on the floor of a Roman house in the City and below is one of the designs for a cushion cover produced by Stitchery.



Go to work on an egg

THE BEST, most desirable of Easter presents are, in my view, those that are made at home. I still prefer the hand-blown, hand-painted eggs my daughter did for the household a few Easters ago to any number of cream-filled chocolate eggs, no matter how elaborately ribboned and wrapped.

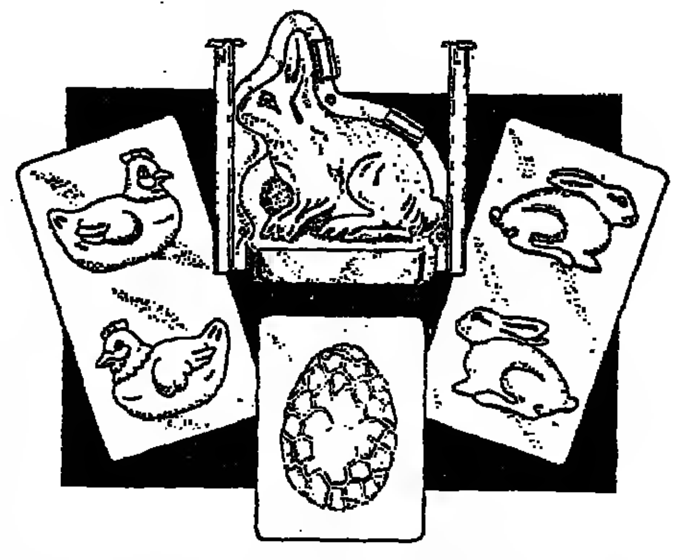
Most of the techniques for decorating the eggs the chicken lays are easily mastered, very well-documented and require only patience and a desire to see the task through to the end.



However, for those who prefer things made easy for them there are now kits which will simplify the whole business of choice and decision-making.

For instance, if you want to colour ordinary eggs, then a German company has produced an inexpensive (£1.55) packet which contains everything you need to colour 13 eggs. The colours are a trifle gaudy (or, I suppose, bright, depending upon your point of view) but doubtless will appeal to small children more than the very pale colours the traditional vegetable dyes produce.

It is recommended that you use eggs with white shells and all you need to do is to dissolve the dye in the packets in about one pint of boiling water, add three tablespoonsful of vinegar, then put in the ready-boiled still warm eggs. The colouring agent is a water-based paint which just coats but does not penetrate the shells. The colours are bright red, yellow, green, blue and violet and though personally I would prefer to see them in a plain white or wooden bowl, a ready-to-assemble cardboard "tree" to hold the eggs is included in the packet with the obligatory bunnies romping around the base—if your children are small enough it should provide quite a lot of enjoyment. £1.55 from The Covent Garden General Store, at No 111 Long Acre, Covent Garden, London, WC2 (the shop is open every day of the week except Sunday from 10 am to midnight and will be open on the Friday, Saturday, Sunday (just till 7.30) and Monday of Easter weekend, which may prove a boon to ill-organised Londoners).



A selection of chocolate moulds from Divertimenti

If you think it might keep the children quiet for several hours to initiate them into the ancient art of making their own chocolate Easter eggs there are now plenty of kits on the markets to help them do just that.

Peter Knight Cookshop, of 156 Walton Road, East Molesey, Surrey, is selling a very simple kit called The Easter Egg Mould. For £2.95 (p+p 35p) there is one large simple egg mould and a little stand to rest it on whilst cooling plus a list of instructions. It sounds simple but messy and as if no small child should be left to do this unsupervised.

Divertimenti, the Kitchen shop at 68/72 Marylebone Lane, London W1 which also runs an excellent mail order service, has, as usual, plenty of the more elaborate moulds, like the metal mould for the Easter bunny shown in our sketch here (£4.64, plus £1.20 p+p). Then there are the plastic moulds, shown on the left, right and below—£2.14 (plus 50p p+p) for the rabbit or chicken, 55p for a 3½ in size egg, 60p for 4½ in egg and 65p for a 5½ in size egg.

For adults the French firm of Mazet de Montargis which produced some delectable Christmas sweetmeats is now offering some Easter ideas. Little animals and fishes made in dark and milk chocolate are sold loose at about £4 a pound, little foil wrapped eggs are £3.80 a pound.

There is also an extraordinary life-like egg which is in fact filled with hazlenut praline and costs about £1. Mazet de Margis chocolates can be found in most good food shops including Fortnum and Mason, the General Trading Company, Sloane Square, London SW1, Rococo Chocolates, 321, Kings Road, London SW3.

The Merrypaul shops are currently selling some of the most delicious truffles I've tried in years (£4.95 for 500 grammes) and for chocaholics who are actually interested in the quality of the chocolates the shops are a good source of Easter ideas.

Finally for those who prefer something more lasting, Floris, the perfumers, of 89 Jermyn Street, London, SW1, is selling *papier-mache* eggs (large size £1.95, small are 60p) which make a pretty container for the egg-shaped soaps (85p in Lavender, Moss Rose or Wild Hyacinth).

Alternatively you can buy the soap eggs packed in sixes in egg boxes for £5.25 or packed in threes in hand-carved wooden bowls for £3.55.

ONCE UPON A TIME

SUN DIALS are enchanting things but because they aren't exactly the sort of thing one needs to buy every day anybody who is hankering for one may not know exactly where to find them. Brookbrae, of 53 St. Leonard's Road, London SW14 (tel 01-876 4370), has a selection of standard sun dials which are interesting enough to grace any garden, whether a small urban patio or a formal country lawn.

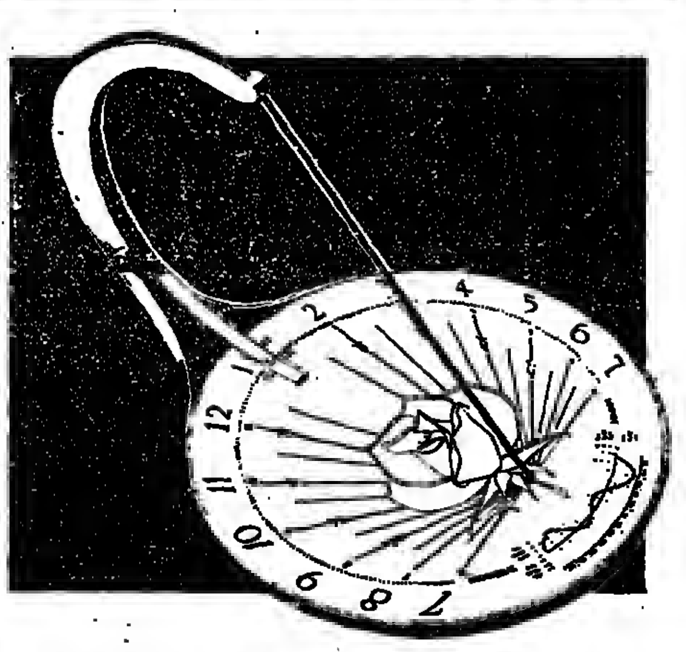
Brookbrae offers six standard designs, including the Rose Dial pictured here, but it also will take on any special commission or design project that may be needed.

Of the standard designs, some are in brass, some in bronze, and there are three different standard accompanying plinths to choose from.

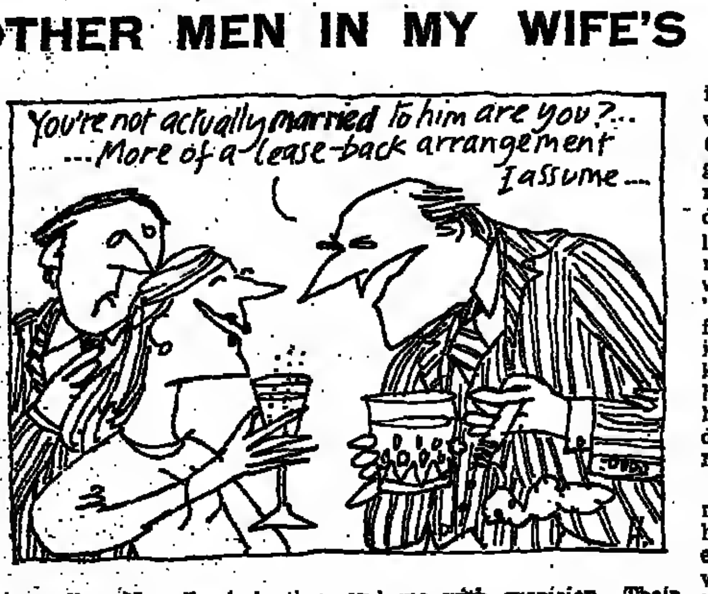
The Rose Dial, shown here, costs £89 (prices go up to £113), has an 8" solid brass dial and the Arabic numerals show both British summertime and Greenwich mean time.

There's also a graph on the dial which helps those who are so minded to convert sun-time into clock-time (did you know that on only four days a year, April 16, June 14, September 2 and Christmas Day, does sun-time coincide with clock-time? Budding astronomers should please address correspondence to Oliver Gero of Brookbrae, and not to me).

If the Rose Dial isn't exactly what you want, there are other designs all illustrated in colour brochures so write directly to Brookbrae if you're interested in either the standard range or in more dramatic special commissions like armillary spheres, zodiac calendars or even more scientifically esoteric requests.



THE OTHER MEN IN MY WIFE'S LIFE



I READ Mrs Swain's article about the women who surround her husband with interest.

My wife also works in the City, so in some ways I can sympathise with Mrs Swain. I do not stay home in Surrey—in fact my office is only a few minutes from my wife's—but her day is as much of a mystery to me as Mr Swain's must be to Mrs Swain. Many is the time I have brought home some fresh mackerel for our supper only to receive a phone call saying that she will be home late again. I noticed the other day that our freezer is filling up with mackerel, so while I'm waiting for her to come home tonight, I thought I would sketch out a few of the men who surround my wife each day.

THE BOSS. Grey-haired, distinguished, former rowing champion, well-connected in the City and Government, very attractive if you like receding hair lines. This man has ultimate authority over my wife's career, but is too much of a gentleman to abuse this power. Or so I like to think. Over the years, he has asked me what I do for a living about 17 times.

THE DEPARTMENT HEAD. Younger, divorced, hard-driving, hard-drinking man who treats my wife just like all the rest—abysmally. No discrimination against women here, everyone sweats, works long hours and tries to earn a small shred of praise from the man. He terrifies me; I almost wish he would chuck my wife under the chin, or at least recognise that she ought to go home and cook my dinner from time to time. Whenever I meet him, he asks me how my business is and rarely waits for a reply. I get the feeling he wonders who irons my shirts.

THE COLLEAGUE. These vary, but generally they treat my wife and me with suspicion. Their wives do not work, they have huge mortgages and many children, most of whom go to expensive schools. So every time they see the two of us together, you can almost hear the mental calculations whirling through their heads as they speculate on how much money the two of us must make. This hostility, however, can usually be worn down by buying a few expensive rounds in the pub. I consider this money well spent.

THE SALES REP or PUBLIC RELATIONS MAN. This man is paid to flatter. He wants my wife to think he actually likes (fancies/admires) her for her great personality and ready wit, not for any crass reasons like doing business with him. His lavish expense account virtually rules out dinner on the days when they have lunch. "L'Escargot again? How boring for you," I always say as I tuck into a Fray Bentos steak and kidney pie. Luckily, he only has two lines of conversation — himself and his company, so I don't count him as a serious nuisance.

THE OFFICE ROMEO. This man isn't hard to spot. His shirt buttons are always undone, exposing masses of chest hair which frankly must be difficult to keep clean. He's completely unprejudiced when it comes to the women in the office — the tea lady, Mrs Murgatroyd in accounts, my wife, it doesn't really matter to him as his charm seems to work on automatic pilot. I suspect he's all talk and no action.

There are others, like the client whose needs always come before mine. But that's the scene from one husband's perspective. I would be interested to hear about others.

PHILIP WEBB

in Next week's FT

— Computer Integrated Manufacturing (CIM) and the shop floor—on the Technology Page.

— A major British drugs company strengthens its management of marketing and R. & D.—on the Management Page.

— Also on the Management Page . . . . the new sick pay scheme—how will companies cope?

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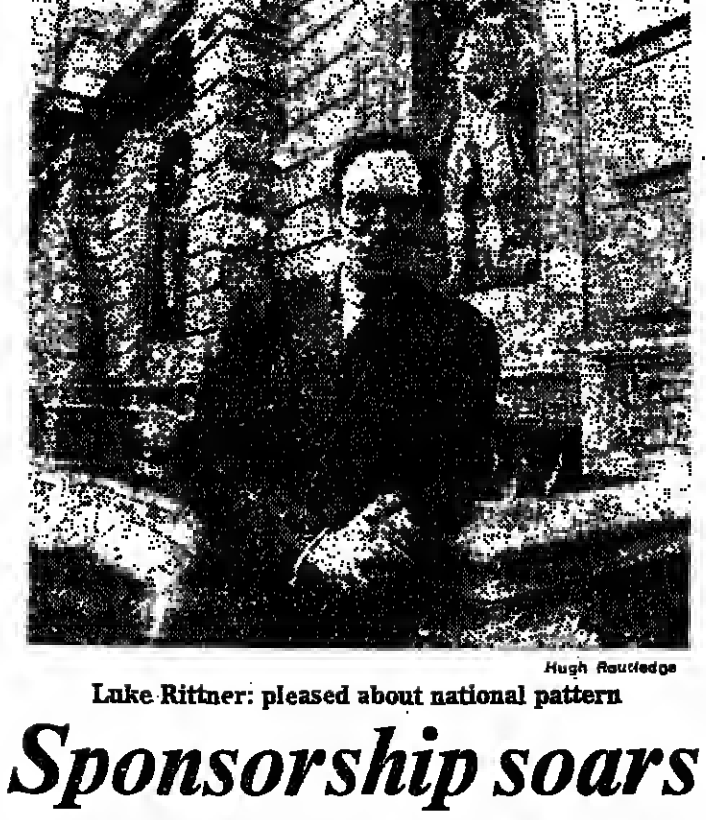


Hugh Routledge

Luke Rittner: pleased about national pattern

Sponsorship soars

Business belp for the arts io the UK could be as high as £12m a year, almost twice the level of previous forecasts. This sharp upwards revision follows research by the Association for Business Sponsorship of the Arts which asked the 163 arts organisations which had nominated sponsors for the annual ABSA/Daily Telegraph award scheme how much aid they received.

In total this was £6.3m, but, adding io all the arts sponsorship programmes which were not nominated, the actual contribution of busioess to the arts could be at least £12m. In addition, there is the backing money that compaoies spend on organisation advertisiog and entertaioment: this could equal the direct cash contribution. For example, the full page colour advertisement that Olivetti took this week, linking it with its support for the Cimabue crucifix exhibition at the Royal Academy, is the kind of intelligent follow through needed—and it probably cost as much as the original sponsorshio.

Mr Luke Rittner, the director of ABSA, io pleased about the oational split in arts sponsorship: the regions are not neglected, taking almost £3.5m of the £6.3m. In termo of expenditure per head of the population, England aod Scotland are about equal and far ahead of Wales and Northern Ireland.

Industrial support for the arts has grown steadily in recent years. When ABSA, a body of corporate members designed to promote business aid, was formed in 1976, sponsorship was estimated at £600,000. There is something of e lull this year but this may be because growth in the regions, often smallish sums given by companies to local arts groups, is over-looked.

ABSA itself now has 118 members and is expanding its tactics. Io the past it has proselytised among arts companies and attempted to make them less suspicious and more underotanding of busioess sponsors. Now it is organising seminars for industrialists.

With the Government actively supporting busioess arts sponsorship as a means of building an alternative revenue source to the Arts Council, which will always remain tbe main sponsor, the arts-iodustry bandwagon still has plenty of steam in it.

Luke Rittner, who was the first ABSA director, will be viewing its progress from another part of the field from August 1, when he takes up his job as secretary-geoeral of the Arts Council. He does not envisage any immediate radical changes, although he goes in with plenty of ideas—and almost a new team, with fresh faces at the top in the music, drama and art department.

ANTONY THORNCROFT

Ulster's operatic assets

BY RODNEY MILNES

The Northern Ireland Opera Trust works under a number of disadvantages: slender funds by metropolitan standards, and only annual weekly seasons of one-off productions of two operas. There is thus little opportunity to build local tradition, artistic continuity or indeed audience loyalty— Donizetti's *Lo Fille du régiment*, sung in English, was poorly supported on the opening night of the 26th season this week.

But NIOT does have one great asset in Matcham's magnificent Grand Opera House (1895, definitely three stars and *vaut le voyage*), which holds 1,200, when full, and is ecoustically excellent: balance between voices and orchestra is ideal. The amateur chorus makes up with enthusiasm for what it may lack in finesse, and the Ulster Orchestra can play very well when it wants to (and less well when it doesn't). The greatest single pleasure this week was their realisation of *La Bohème* under the expert guidance of Robin Stapleton.

Donizetti's masterly *opéro comique* fields a fragile charm and needs impeccably stylish presentation to make its full effect. At least Sally Day's productioo eschewed the ghastly rogueishness that made the Royal Opera's version so intolerable, but too little was put in its place: the evening never really got off the launching pad. What pleasures there were—and this holds true for the season io general—came from the individual singers. Lynda Russell sang the title role with great oweetness and impressive accuracy. More brilliance of tone and demeanour—and isolated moments suggested that both are at her disposal—would make her a Marie in a hundred.

The Canadian tenor Mark Dubols (Tonio) has a light but warmly burnisbed voice with enviable freedom st the top: he will surely give much pleasure In the Rossini and Donizetti repertory io the years to come. ..nid Hartle flounced inimitably as the Marquise. Gordon Sandison was the dependable Sulplce, and — mercy of mercies — Margaret D'Arcy played the Duchess absolutely atraight as a first cousin of Judi Dench's Lady Bracknell. Wyn Davies conducted.

It looked as though what design budget there was had been hi-jacked for *Bohème* (the decor for the Donizetti was dour ir the extrems), which was staged and produced by John Pascoe a good deal too "prettily" for my taste and very capriciously lit. Riccardo Calleo's uncertainty of pitch and graceless phrasing made his Rodolfo something of a trial, but otherwise there was plenty to enjoy: Gillian Sullivan's musical and gently affecting Mimi (much helped by Mr Stapleton's sympathetic accompaniment), John Rawnsley's hugely ebullient Marcello, Beryl Korman's duly spunky Musetta, and sound support from John Hall (Colline) and Glenville Hargreaves (Schaunard).

Bohème was rapturously received. Should it have been? Musically, yes: under Patric Schmid's artistic directorship decent, indeed more tban deceot, vocal standards are assured, but from the point of view of production both evenings struck me as being provincial in not quite the right way. Matcham's theatre deserves at least a capital P.

Small is beautiful

BY ANTONY THORNCROFT

Two veterans notched up three more oigbts on the road in Loodoo this week — Elkie Brooks filling the Odeon Hammersmith and Georgie Fame entertaining a few friends at the Phoenix Theatre (closes tonight). Both started out on the jazzier fringes of the rock business around 20 years ago but while Elkie Brooks has made profitable progress towards becoming a British chanteuse, with a large and revereotial following, Georgie Fame bas kicked over the traces to end up a jazz musician on the cabaret circuit — an endangered species.

Elkie Brooks's concert began omioously with one of those numbingly dull and uncreative overtures by ber band. They looked well—drums, percussion and keyboards rising out of a raked stage—and money and thought had gone into the lighting and the look of the show. But the costly production valnes only emphasised the emptiness of the evening.

The band was not distinguished and Elkie Brooks has lost her relaxed style with the years. Her saving grace is her voice, firm, pure and with an impressive range; she flaunted her upper register with some coloratura warbles. Her own songs were dull and she chooses the safest of other singers' hits —"Nights in white satin," "Gasoline alley" and more. In a small club with a more relaxed band —this is just nostalgia for her Vinegar Joe days—her class would have won through. As a pretty, black clad puppet viewed from the wrong end of the theatre, she looked stylised and the occasion felt hollow.

Georgie Fame also seemed ill at ease at the Phoenix. Perhaps it was the evening dress he'd rigged the band up in for the first session which was supposed to be a sophisticated bour to be followed by raunchy Fame on the organ. After first laying the ghost of his diotant hits, he concentrated on the music of Hoagy Carmichael, pleasant but hardly ultra chic. The most impressive item was his setting of a Fran Landesman poem, Eros, which chimed in with Fame's early Sobo days as a Larry Parnes clone.

After the interval, with the excellent band — streets ahead of the Hammersmith mob—in mufti, the days of Fame and the Blue Flames at the Flamingo were re-created, to audience satisfaction. But although it was good to hear Tony Crombie on drums and Peter King on sax again the Phoenix is hardly the best launching pad for a Fame revival. It is a pity that pride and money keeps performers like Brooks and Fame away from their natural small club habitat.

Ovid metamorphosed

BY ANDREW CLEMENTS

The most successful musical translation of Ovid'o collection of tales is Britteo's set of six *Metamorphoses* for solo oboe. Their elegant conciseness perfectly matches the lucid storytelling of the originals, in which each point is precisely made with the minimum of superfluity. To turn these stories ioto en opera must inevitably lead to distortion somewhere in the process. In the stage work which Richard Blackford bas produced to celebrate the centenary of the Royal College of Music, the grotesqueriea are minimised, but for e lavish and complex production the total effect is thin

Blackford haa taken five tales and fashioned them into a symmetrical scenario. The actioo is linked by Ovid himself (played by Marius Goring). He is an impersonal narrator for the first three — *The Rope of Proserpine*, *Phaethon ond the Chariot of Light* and *The Tale of Tereus* — as the world declines from its Golden Age to its age of Iron, and an involved commentator in *The Sacrilege of Erysichthon* and the final transfiguring *Baucis and Philemon*. Symmetries within the sections are emphasised by cast doublings; a Euripedean chorus peoples every scene.

The composer's own libretto is sometimes awkward, occasionally risible; the use of a clutter of languages is more irritating than profoundly unlversal. The musical style is wide ranging, sometimes unashamedly eclectic, and the forces are ambitious. There is an electronic tape and instrumentalists in costume, apart from a pit orchestra. Video projections on screens on either side of the acting area combine with special lighting effects and an imaginative series of designs. Each scene bas been the work of a different artist from the Wimbledon School of Art, aod costumes are sometimes wildly imaginstive.

The effort the RCM bas put into mounting *Metamorphoses* has clearly been prodigious. Singers in a large cast from the RCM Opera School, as well as dancers and instrumentalists, give committed and smoothly coached performances under the composer's baton; Michael Renoiaon's production uses the available acting space in the college's opera theatre to maximum effect and sometimes with undeniable spectacle. But the impressioo is of so much effort, creative and interpretative, brought to bear on a tiny kernel of pure literary truth. The simplest distillations survive operatic treatment least well, and for Blackford the problem lies less in the nature of his music than in the choice of the material it is forced to serve. There is one final performance of *Metamorphoses* this afternoon.

All that jazz

Pessing through Glasgow, I hoped to get a taste of Radio Clyde, the local ILR station whose programmes I read weekly but do not hear. Weekends aren't the best time to listen to independent radio; it was football the first time I turned on (with an emphasis slightly to the north of what we hear on, for instance, Severn Sound), and later it was pop music (and commercials). There was some pleasant Scots-made pop, but it was pop.

What interested me, while I was leafing through the week's Clyde fixtures, was the presence of jazz on Sunday. "Why does everybody have jazz on Sunday nights?" my Younger Generation Correspondent asked me. "Nobody listens to it." This is the kind of thing Younger Generation representatives are ioclined to say, but the question was interesting. Radio Clyde has jazz on Sunday; Severn Sound has jazz on Sunday; Capital has jazz on Sunday; Radio 1 has jazz on Sunday. Is there a feeling that jazz is more respectable thao pop on the Sabbath? Has it acquired a new kind of propriety from the fact that it's no longer current?

Certainly Radio 3 treats it as if it were as classical as Beethoven. Peter Clayton gives us *Jazz Record Requests* on Saturday evenings. Charles Fox provides *Jazz In Britain* late on Mondays and *Jazz Today* on Wednesdays. There was a time when I was e devotee of jazz but most of today's stuff seems to me either pretentious or a bad imitation of the traditional article, so the only one of these programmes I hear with any pleasure is *Jazz Record Requests*, where I may chance on something from the golden age, which is any age before 1940, but preferably before 1930. I'd like *Jazz Record Requests* even better if Mr Clayton didn't begin by thanking me before I've done anything to deserve it, a habit he shares with Cliff Richard. "Stereo," says Radio Times proudly at its head; but there aren't any stereo recordings of Frankie Trumbauer or the Five Pennies, alas. Not even of Paul Whiteman.

Ever anxious to find a new analogy for the overthrow of society as we know it, Edward Bond came up on Monday with *Water*, a parable about a legendary city inthrall to water, which I'm sorry to say Mr Bond allowed himself, just once, to refer to as "the precious life-stream." In order to conserve this life-stream, a dam was built, but "as the rulers of the city had been clever enough to build the dam, they ought to have been clever enough to make it safe," says Mr Bond, and we begin to see his drift at once. What happened was that the dam was so dangerous that everyone was encouraged to use all the water they could and so lower the level.

This led to all sorts of diseases, including water on the knee and water on the brain, ultimately to a kind of spontaneous combustion that made people spout steam at every orifice and burst. At last the level was reduced far enough for the rulers to announce that the city would be safe for the next three years, but people stopped drinking. So officials went about the streets pumping water into people; in the end, the chief ruler of the city himself burst like the others. The National Theatre should get Mr Bond to dramatise this and put it on before the tank they built for Alan Ayckbourn wears out.

I always try to hear at least one Afternoon Theatre. This week's was *Shadow in the Mouth* by Giles Cole, who takes his title from T. S. Eliot's poem about Saint Narcissus. It is a cautionary tale about a 16-year-old schoolgirl who thinks she can play life according to her own rules. Mr Cole has made his Karen unbearably cheeky to her parents and her schoolmistress and unbearably cool towards her boy-friend Andy, in spite of which Sylvestra le Touzel contrived to make her sound a likeable child, though a horrible swot.

Karen's mother having run away from her father, Karen decides that she must give her father someone else to care for, so she goes to bed with Andy, and, though the copulation sounded very little fun, becomes pregnant. I reckoned she was then going to kill herself, but she didn't, though the author had misled us by starting the play with a soliloquy for Andy beginning "Nuffin's movin'."

In fact, Mr Cole leaves the conclusion pretty vague. I couldn't see why he kept giving little soliloquies to the unfortunate Andy (Alex Jennings) but none to Karen's father (Eric Allen), who was rather more closely involved. Ian Cotterell was the director, and if you ask me he'd have done well to cut the play by a good 15 minutes.

RADIO

B. A. YOUNG

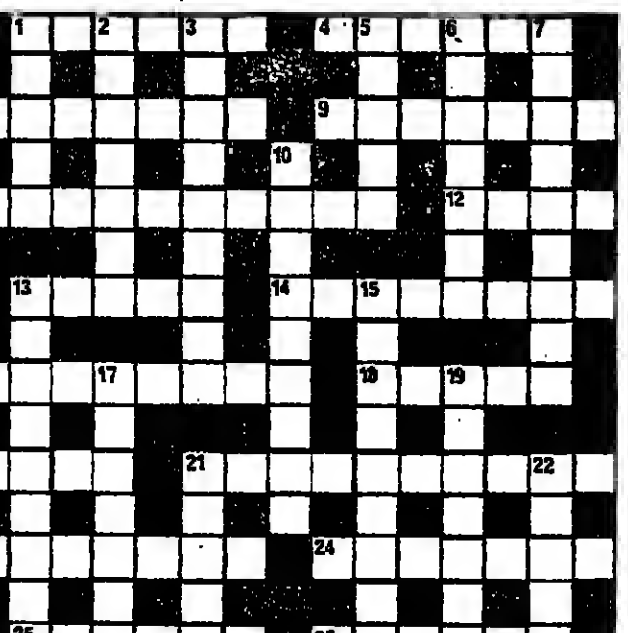
F.T. CROSSWORD PUZZLE No. 5,132

A prize of £10 will be given to each of the senders of the first three correct solutions opened. Solutions must be received by next Thursday, marked Crossword in the top left-hand corner of the envelope, and addressed to the Financial Times, 10 Cannon Street, London EC4P 4BY. Winners and solution will be given next Saturday.

Name ....

Address ....

....



ACROSS

1 Result of knock after batting order made? (6)

4 Pal's taking a spin round to doctor to get self-confidence (6)

8 Throwing insults at game (7)

9 Couldn't be better! (7)

11 Have meal after hair-do. Charge passing through (10)

12 The cheek of the fellow! (4)

13 Sign of what happened. A small quantity (5)

14 Saw bod, shattered, about to start tennis match (8)

16 Usually complimentary but not if it's slow (8)

18 The defeated, nearer to losing bead (5)

20 The cylinder very often contains fuel oil (4)

21 He joined the rush (5-5)

23 Milk party seen by the shore? (7)

24 Right bus? Bus careering round the outskirts (7)

25 It's necessary—learner leaving upset (6)

26 Take off belt during change (6)

DOWN

1 Come into operation. That is, including railwaymen (5)

2 Horny problem? (7)

3 Enrol pa in dancing—unequalled (3-6)

5 Kind of foot that's soft with age (5)

6 Policeman in charge in proposal (7)

7 A plunderer, in the main (9)

10 Simple man, guiltless—the real person (5, 4)

13 Serious player (9)

15 Miss a cake at tea-time? (5, 4)

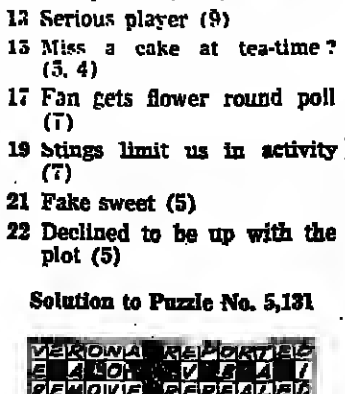
17 Fan gets flower round poll (7)

19 Stings limit us in activity (7)

21 Fake sweet (5)

22 Declined to be up with the plot (5)

Solution to Puzzle No. 5,131

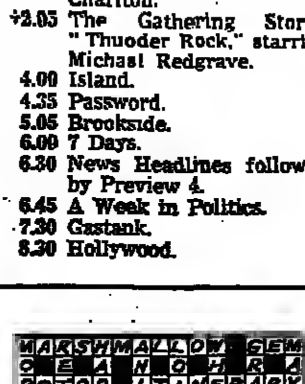


SOLUTION AND WINNERS OF PUZZLE No. 5,126

Mrs. M. Knowles, 3A Jeremy Lane, Heckmondwike, West Yorkshire.

Miss Anne M. Dingle, 1, Berkeley Road, London, N.8.

Mr. J. H. Perryman, High Beech, Manor Road, Penn, Bucks.



BBC 1

† Indicates programme in black and white

6.25 am Open University. †8.55 Edgar Kennedy in "Art in the Raw." 9.15 Saturday Superstore. 12.12 pm Weather.

12.15 Grandstand including 12.50 News Summary; Football Focus (12.20); Golf (12.55) from Wentworth: The Range Rover Challenge; Racing from Newbury (1.35, 2.05, 2.35); Flat Racing Focus (1.55); Badminton (2.25, 2.55): The John Player All-England Championships; 3.45 Half-time Soccer scores; Rugby League (3.55): State Express Challenge Cup — Bradford Northern v Featherstone Rovers; 4.35 Final Score.

5.10 News.

5.20 Regional Variations.

5.25 The Dukes of Hazzard.

6.15 Jim'll Fix It.

6.50 The Saturday Film "Carry On Jack," starring Kenneth Williams.

8.20 Paul Squire, Esq.

8.55 News and Sport.

9.18 Dynasty.

10.00 Wogan. Terry Wogan with Clive James, Neil Kinnock, MP and Dolly Parton.

10.45 The Saturday Late Film: "The Stepford Wives," starring Katharine Ross.

REGIONAL VARIATIONS

Wales—5.20-5.25 pm Sports News Wales.

Scotland—5.20-5.25 pm Scoreboard. 12.35 am Scottish News Summary.

Northern Ireland—5.00-5.10 pm Northern Ireland Results (opt-out from Grandstand). 5.20-5.25 Northern Ireland News. 12.35 am Northern Ireland News Headlines.

England—5.20-5.25 pm London and the South-East: Sport; South-West (Plymouth): Spotlight Sport; All other English regions: Sport/Regional News.

BBC 2

6.25 am-3.10 pm Open University.

†3.35 Saturday Cinema Double Bill: "In Which We Serve," starring Noel Coward, John Mills and Celia Johnson and at†5.25 "Brief Encounter," starring Celia Johnson and Trevor Howard.

6.50 Sight and Sound in Concert: Weapon of Peace at the Regal Theatre, Hitchin (simultaneously broadcast with Radio 1).

7.30 News and Sport.

7.45 Saturday Briefing.

8.20 Sir William Walton (1902-1983). A celebration of the life and music of the great British composer who died earlier this month.

10.10 Badminton: John Player All-England Championships (semi-final highlights).

10.40 News on 2.

10.45-12.45 am Film International: "The Man Who Loved Women" (French film with English subtitles).

BBC2 Scotland only—As above except: 3.10 pm Conference 83: Coverage of the last session of the Scottish Liberal Party's annual conference at Aberdeen. 4.30-5.25 Mudra Afrique.

LONDON

6.00-9.15 am TV-am Breakfast Programme. 9.30 Sesame Street. 10.30 The Saturday Show

12.15 pm World of Sport: 12.20 Drag Racing from Pomona, California: 12.30 Bjorn Borg: 12.45 On the Ball: 1.15 News: 1.20 Boxing from the Bloomsbury Crest Hotel, London; 1.30 Cycling — Milan-San Remo: 1.40 pm The ITV Four from Doncaster: 1.55 Darts—Double Diamond Masters: 2.10 ITV Four (continued): 2.25 Darts: 2.40 ITV Four: 3.05 Darts: 3.45 Half Time Soccer News and Reports: 3.50 ITV Four: 4.00 Wrestling: 4.45 Results.

5.05 News.

5.15 Greatest Hits—1977.

5.45 CHiPs.

6.40 Punchlines.

7.10 3-2-1.

8.15 Murder, Mystery, Suspense: "The Night They Took Miss Beautiful" starring Chuck Connors, Stella Stevens and Phil Silvers.

10.00 News and Sport.

10.15 The Big Match.

11.15 London News Headlines followed by Joe Cocker.

12.15 am Close: Sit Up & Listen with Sian Phillips.

CHANNEL 4

1.35 pm Go Fishing with Jack Charlton.

†2.05 The Gathering Storm: "Thunder Rock," starring Michael Redgrave.

4.00 Island.

4.35 Password.

5.05 Brookside.

6.00 7 Days.

6.30 News Headlines followed by Preview 4.

6.45 A Week in Politics.

7.30 Gastank.

8.30 Hollywood.

9.30 Patti.

10.00 Upstairs, Downstairs.

11.00 Malu Mulher.

†11.15 Death in the City "This Gun for Hire," starring Alan Ladd and Veronica Lake.

S4C (WALES)

2.20 pm Getting About. 2.45 Common Interest. 3.10 The Year of the French. 4.05 Switch. 5.00 Y Awr Fawr. 6.00 Upstairs, Downstairs. 7.00 Twyllo'r Teulu. 7E.30 Newyddion. 7.45 Arlen Yn Y Llwch. 8.45 Patti. 9.15 Glas Y Dorlan. 9.45 Y Maes Chwarae. 10.35 Prison. 11.30 Samuel Goldwyn Presents: "The Bishop's Wife," starring Cary Grant.

REGIONS

All IBA Regions as London except at the following times:—

ANGLIA

8.35 am God's Story. 9.50 European Folk Tales. 10.05 Star Fleet. 10.15 pm Match of the Week: Gerry Harrison introduces a special double bill of soccer and snooker. 12.00 Portrait of a Legend: Frankie Valli and the Four Seasons. 12.25 am At the End of the Day

CENTRAL

9.35 am God's Story. 9.50 Larry the Lamb in Toytown. 10.05 Star Fleet. 10.15 pm Star Soccer, hosted by Gary Newbon and Jimmy Greaves. 11.15 Thriller: "Killer With Two Faces," starring Donna Mills and Ian Hendry.

GRANADA

9.35 am God's Story. 9.50 Cartoon Time. 10.05 Star Fleet. 10.20 pm Match Time: The north-west's own football programme. 11.20 The Late Film: "Hammersmith Is Out," starring Richard Burton and Elizabeth Taylor.

HTV

9.35 am Ask Oscar! 10.05 Star Fleet. 12.13 pm HTV News. 5.13 HTV News. 11.20 Barney Miller. 11.50 Portrait of a Legend: Dean Martin.

SCOTTISH

9.35 am Wattoo Wattoo. 9.40 The Smurfs. 10.05 Star Fleet. 10.20 pm Scotsport: Football highlights from Scotland and England. 11.20 Late Call. 11.25 House Calls. 11.55 The Two Of Us.

TSW

9.25 am Look and See. 9.30 The Saturday Show. 10.28 Gus Honeybun's Magic Birthdays. 10.30 Star Fleet. 10.50 The Fugitive. 11.40 WKRP in Cincinnati. 12.12 pm TSW Regional News. 5.15 Newsport. 5.20 Happy Days. 5.45 Falcon Crest. 11.15 City of Angels. 12.10 am Postscript. 12.15 South-West Weather and Shipping Forecast.

TVS

9.35 am Secret Valley. 10.05 Star Fleet. 12.18 pm TVS Weather. 5.45 Saturday News and Sport. 5.50 Chips. 10.15 The Saturday Match introduced by Fred Dinenage with comment from George Best and commentary by Gerald Sinstadt. 11.15 Thriller: "Colour Him Dead." 12.35 am Company.

TYNE TEES

9.30 am Morning Glory. 9.35 The Fantastic Four. 10.00 Star Fleet. 12.13 pm North-East News. 5.45 North-East News. 10.00 Shoot. 11.15 "The Screaming Marianne." 1.00 am Poet's Corner.

(S) Stereo (when broadcast on VHF)

RADIO 1

8.00 am Tony Blackburn's Saturday Show. 10.00 Mike Smith. 1.00 pm Adrian Juste (S). 2.00 A King in New York (S). 2.05 Paul Gambaccini (S). 4.00 Walters' Weekly (S). 5.00 Rock On (S). 5.50 Sight and Sound in Concert featuring Weapon of Peace (S) (a simultaneous broadcast with BBC 2). 7.30 Janice Long. 10.00-12.00 Gary Davies.

RADIO 2

8.05 am David Jacobs (S). 10.00 Sounds of the 60s (S). 11.00 Album Time (S). 1.00 pm The Impressionists. 1.30 Sport on 2: Racing from Doncaster at 2.15 and 2.55; Rugby League State Express Challenge Cup—reports from the first semi-final; Football—Milk Cup Final: Liverpool v Manchester United; 5.00 Football Results; 5.45 Racing Results; 5.50 Final Pools Check. 6.00 Country Greats in Concert. 7.00 Jazz Score. 7.30 Big Band Special (S). 8.00 Stanley Black's Music from the Movies (S). 10.00 Nordring Festival 1982 (S). 11.02 Sports Desk. 11.10 Pete Murray's Late Show (S). 2.00-5.00 am Liz Allen introduces You and the Night and the Music (S).

RADIO 3

8.00 am News. 8.05 Aubade (S). 9.00 News. 9.05 Record Review (S). 10.15 Stereo Release (S). 11.05 BBC Manchester Master Concert (S). 1.00 pm News. 1.05 Virtuoso Violin Music (S). 2.00 Decade the 1970s (S). 5.00 Jazz Record Requests (S). 5.45 Critics' Forum. 6.35 Medieval French Songs (S). 7.00 Fitzwilliam String Quartet (S). 8.00 The Discreet Charm of Mr Bunuel: Russell Davies traces the career of film director Luis Bunuel. 8.45 BBC Scottish Symphony Orchestra: Debussy, Pfitzner, Haydn (S). 10.00 Mr Reginald Peacock's Day by Katherine Mansfield. 10.15 Mozart and Schubert choral and piano recital (S). 11.15-11.18 News.

RADIO 4

7.00 am News. 7.10 Today's Papers. 7.15 On Your Farm. 7.45 In Perspective. 7.50 It's A Bargain. 7.55 Weather, travel, programme news. 8.00 News. 8.10 Today's Papers. 8.15 Sport on 4. 8.48 Yesterday in Parliament. 8.57 Weather, travel. 9.00 News. 9.05 Breakaway. 9.50 News Stand. 10.05 The Week in Westminster. 10.30 Daily Service (S). 10.45 Pick of the Week (S). 11.35 From Our Own Correspondent. 12.00 News. 12.02 pm Money Box. 12.27 I'm Sorry, I Haven't A Clue (S). 12.55 Weather, programme news. 1.00 News. 1.10 Any Questions? 1.55 Shipping Forecast. 2.00 News. 2.05 Thirty-Minute Theatre (S). 2.35 Medicine Now. 3.05 Wildlife. 3.30 The Golden Obsession. 4.00 News. 4.02 International Assignment. 4.30 Does He Take Sugar? 5.00 Herbs, Useful Plants. 5.25 Week Ending (S). 5.50 Shipping forecast. 5.55 Weather, travel, programme news. 6.00 News and Sports Round-up. 6.25 Desert Island Discs (S). 7.20 Stop The Week With Laurie Taylor (S). 8.00 Richard Baker (S). 8.30 Saturday-Night Theatre. (S). 9.58 Weather. 10.00 News. 10.15 A New Life in a New World by Richard Mollon. 11.00 Questioning Answers: Some Thoughts for Passover. 11.15 Stop the Week with Laurie Taylor (S). 12.00 News.

BBC RADIO LONDON

7.32 am Good Fishing. 8.04 London Today. 8.33 The Magic Carpet Company. 9.03 Openings. 9.30 Corridors of Power. 10.02 All That Jazz. 11.30 Robbie Vincent's Saturday Show. 2.02 pm Breakthrough. 3.30 The Great Composers. 5.30 Evening Star. 6.30 Radio Replies. 7.00 Book Now. 7.30 As Radio 1. 12.00-5.00 am Join Radio 2.

LONDON BROADCASTING

7.00 am AM with Magnus Carter and Jenny Lacey. 10.00 Jellybone with Clive Bull. 12.00 LBC Reports with Des Fahy. 1.00 pm Sportswatch with Dominic Allan. 6.00 LBC Reports with Des Fahy. 7.00 Gast Mele. 8.00 Network. 8.00 Hayes on Saturday. 10.00 Nightline with Phillip Hodson. 1.00 am Night Extra with Steve Allen. 4.00 Travel '83. 4.30 Decision Makers.

CAPITAL RADIO

7.00 am The Dave Cash Show. 10.00 Pick of the Pops Take Two with Alan Freeman. 12.00 Mike Allen's Music Centre. 2.00 pm Afternoon Delight. 5.00 Gary Crowley's Magic Box. 7.00 Al Matthews' Soul Spectrum. 9.00 Roots Rockers with David Rodigan. 11.00 View From The Top with Roger Scott. 12.00 Midnight Special.

CHESS SOLUTIONS

Solution to Position No 467

(a) 1 P-N7? BxP; 2 QxB, R-Q5 ch; 3 K-N3, RxP is a book draw, (b) 1 Q-KB4! B-N7 (if R-Q5 ch; 2 K-R3, R-Q6 ch; 3 K-N2 wins); 2 P-N7, BxP; 3 Q-KB1 ch and 4 QxR.

Solution to Problem No 467

1 R-K4 (threat 2 RxKP), KxR; 2 BxP ch, K-Q5; 3 N-B1, or if 1 ... K-K3; 2 RxP ch, K-B3; 3 P-N5.

THEATRES

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ALDWYCH. S CC 01-836 6404. 379 6233. Credit card only 836 0641. Mon-Fri 7.30, Sats 5.0 & 8.30, Wed mat 2.30. OPENS Tues March 29. No mat Wed March 30. GRIFF RHYS JONES in CHARLEY'S AUNT. LIMITED SEASON. 12 WEEKS ONLY. Group sales Box Office 379 6061.

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APOLLO THEATRE. 437 2663. CC Hotline 930 9232. Group sales 379 6061. TOM CONTI, PAULINE COLLINS in Bernard Slade's ROMANTIC COMEDY. Evgs 8.0, mats Wed 3, Sat 5.

APOLLO VICTORIA. 01-828 8665. Evgs 7.30, Sat Mat 2.30. SEASON EXTENDED UNTIL 7 MAY. WAYNE SLEEP—DASH. Special Easter Perfs. Good Fri 7.30. Easter Sat 2.30 & 7.30. Easter Mon 7.30. Reduction for families. Tel 01-828 6665 for details. Group Sales 01-379 6061. Party bkgs 01-828 8188. TICKETS AVAILABLE TODAY. TOPOL in FIDDLER ON THE ROOF. Opens June 26 for 86 perfs only. 01-834 6177.

ARTS THEATRE. 01-836 2132. STEVEN BERKOFF'S DECADENCE. Tues-Fri 8.30. Sat 6.0 & 9.0. LAST FOUR WEEKS.

ASTORIA. Charing X Rd. 01-437 6584. CC 930 9232. Grp sales 379 6061. THE DARTS. The McGann Brothers in YAKETY YAK! Mon-Thur 8.00. Fri 6.30 & 9.15. Sat 6.00 & 9.00. Good Friday perfs 6.30 & 9.15. Great food avail during the show at SMOKIE JOE'S.

BARBICAN. 01-628 8795. CC 01-638 8891 (Mon-Sat 10 am-8 pm, Sun 12.30-8 pm). ROYAL SHAKESPEARE COMPANY. BARBICAN THEATRE—Booking open for reduced price previews—from 7 April THE TAMING OF THE SHREW. from 21 April THE ROARING GIRL by Middleton & Dekker. from 5 May MUCH ADO ABOUT NOTHING. from 25 May KING LEAR. THE PIT—THE BODY from 22 April, new play by Nick Darke.

BARBICAN HALL. Barbican Centre, EC2. CC 01-638 8891. Res 01-628 8795. Ton't 8.00 am LSO. James Judd conductor. Yuzuko Horigome violin. Schubert: Rosamunde Entr'acte No 3 in B flat & Ballet Music from Act 1 in G. Sibelius: Violin Concerto; Richard Strauss: Don Juan. Tomor 7.30 am LSO. Brass Ensemble. Edward Downes conductor.

BLOOMSBURY. Gordon St. WC1. 01-387 9629. CYPRUS NATIONAL THEATRE in LYSISTRATA. March 31-April 3. Evgs 8.0. Mat Sat & Sun 5.30. Now booking Merlo Maya Gypsy Flamenco. Thur April 11-23.

CHICHESTER FESTIVAL THEATRE. SUMMER SEASON. Sponsored by Martini & Rossi Ltd MAY 11-OCT 1. ALAN BATES in A PATRIOT FOR ME. GOOGIE WITHERS in TIME AND THE CONWAYS. PATRICIA HODGE in AS YOU LIKE IT. OMAR SHARIF in THE SLEEPING PRINCE. Priority bkg only until April 16 for Members. For Priority bkg form £3 subscription to: The Secretary, CFT Society, Chichester Festival Theatre, Chichester, West Sussex (0243) 785482. Public bkg from April 18. Box Office (0243) 781312.

COLISEUM. S 836 3161. CC 240 5258. ENGLISH NATIONAL OPERA. Ton't, Tues 7.30 LA CENERENTOLA. Wed 7.00 THE FORCE OF DESTINY. Thurs 7.30 RUSALKA. Some seats avail at door each day.

COMEDY THEATRE. S 930 2578. CC bkgs 839 1438. Grp sales 379 6061. Mon-Fri 8.0. Sat 5.15. mats Thur 3. Sat 5.15. Prices £2-£8 (not suitable for children). STEAMING by Nell Dunn. COMEDY OF THE YEAR Swet Awards 1981. NOW IN ITS SECOND YEAR. Pre-show supper at Cafe Royal plus stall seats only £9.00. Mon to Thur. Over 600 performances.

CRITERION. S 930 3216. CC 379 6565. Grps 836 3962. Mon to Thur 7.30. Fri & Sat 6.0 & 8.45. CAN'T PAY! WON'T PAY! a farce by Dario Fo. THE LONGEST RUNNING FARCE IN THE WEST END. Pre-show supper at Cafe Royal plus best seat only £9.90. Students' standby £3.50.

DONMAR WAREHOUSE. Covent Garden, Earlham St. S CC 379 0585. SEATS FROM £2.95. ATC in REP. THE PROVOKED WIFE. Today 4.30 & 8 pm. Next week USU & TEMPEST.

DRURY LANE. Theatre Royal. CC 01-836 8108. Grp sales 379 6061. OLIVER TOBIAS, PETER NOONE, RONALD FRASER, ANNIE ROSS in THE PIRATES OF PENZANCE. Evgs 7.30, mats Wed & Sat 3.0. Credit card Hotline 930 0232.

DUKE OF YORK'S. S 836 5122. CC 836 9537. Mon-Thurs 8.00, Fri & Sat 6.0 & 8.45. LIMITED SEASON. CHERYL CAMPBELL, STEPHEN REA in MISS JULIE. Some good seats still avail—£6, £5, £4. Hurry 6 wks only.

FORTUNE. Cov. Gdn. 836 2238. DENIS LAWSON in MR CINDERS. Music by Vivian Ellis. Press from April 19. CC Hotline 930 9232. Grps 379 6061.

GARRICK. S CC 01-836 4601. Evgs 8. Wed mat 3.0. Sat 5.0 & 8.0. 12th HYSTERICAL YEAR LONGEST-RUNNING COMEDY IN THE WORLD. NO SEX PLEASE—WE'RE BRITISH. 2 HOURS OF NON-STOP LAUGHTER. Directed by Allan Davis. Group sales Box Office 01-379 6061. Credit card Hotline 01-930 9232. OVER 4,750 PERFS. OF LONDON'S LONGEST-RUNNING FARCE.

GLOBE. CC 01-437 1592. DAISY PULLS IT OFF. PREVIEWS FROM April 13. OPENS April 18. Evgs 8.00, mats Wed 3.00. Sat 5.00. Group sales 379 6061. Advance Box Office now open.

GREENWICH. 01-858 7755. Evenings 7.45, mats Sat 2.30. MAKING TRACKS by Alan Ayckbourn. Music by Paul Todd.

HAYMARKET THEATRE ROYAL. 930 9832. Grp sales 01-379 6061. REX HARRISON, DIANA RIGG, ROSEMARY HARRIS, FRANK MIDDLEMASS, DORIS HARE, MEL MARTIN, PAXTON WHITEHEAD, PAUL CURRAN and SIMON WARD in HEARTBREAK HOUSE by Bernard Shaw. Directed by John Dexter. EVGS. 7.30. MATS WED & SAT 2.30.

HER MAJESTY'S THEATRE. 930 6606-7. CC 930 4025-6. Opens May 26 red price prevs May 16. BUGSY MALONE on stage. Advanced Box Office open. Group sales 01-379 6061.

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LYRIC THEATRE. 437 3686. CC Group sales 379 6061. From April 7. Reduced price prevs until April 11. BARBARA DICKSON in BLOOD BROTHERS. The WILLY RUSSELL Musical.

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MERMAID THEATRE. S 01-236 5568. CC 236 5324. Group Sales 379 6061. Mon to Thur 8. Fri & Sat 6.45 & 9.15. TOYAH WILLCOX in TRAFFORD TANZI by Claire Luckham. Nominated COMEDY OF THE YEAR SWET Awards 1982. At Fri and Sat 6.45 shows Julia North plays Tanzi. Buy your seats at any Keith Prowse at same price as Theatre Box Office.

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Arduous and jaded perils of tasting

BY EDMUND PENNING-ROWSELL

ONE OF THE privileges, even "perks," attributed to those who write about wine and enviously viewed by some wine drinkers, is access to trade tastings. It would be hypocritical to pretend that they are not both interesting and enjoyable (providing the wines are acceptable): but they can also be very arduous and jading. Certainly one spits out, but something still goes down.

How, for example, would you care to face a line of 75 California wines, the great majority notably more alcoholic than their European equivalents? And a week or so ago this was the course devised by the leading California wine importer, Geoffrey Roberts (7 Ariel Way, Wood Lane, W12).

There is no obligation, of course, to complete the course, but these are very interesting and often excellent wines, many of them not readily available or, as in the case of Jo Heitz's Martha's Vineyard Cabernet-Sauvignon '77, too expensive (£276 a case) for mere wine writers. In fact, I found afterwards that I had sampled 45 red and white wines.

The wines were arranged by grape variety, and demonstrated the extraordinary range, dedication and expertise of these Californian wine makers, many of them who have only set up their vineyards a dozen or less years ago. For the keen wine drinker there are two problems over California wines. The first is that they are expensive, particularly since the fall in the pound in relation to the dollar, and the Californians cannot be blamed for that.

But they are more responsible for the other difficulty we face here: a great many of them are too alcoholic. As they put the strength on the label, if perhaps sometimes under-estimating it for tax reasons, this information is openly available. Who wants to drink Zinfandel at 14.8 deg. as is the other very agreeable Joseph Phelps 1978? Or the 13.9 deg Firestone Cabernet-Sauvignon 1978 or the Chateau St Jean Chardonnay 1980 at the same strength?

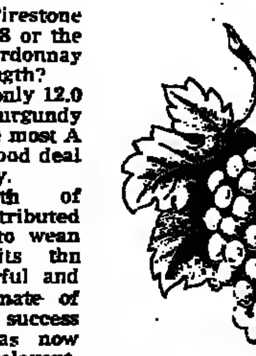
For claret is usually only 12.0 deg and red and white burgundy 12.5 deg or 13 deg at the most. A single degree makes a good deal of difference either way.

The high strength of California wines is attributed both to the idea that to wean Americans from spirits the wines had to be powerful and to the very warm climate of California. The great success of California wines has now made the first point irrelevant, and earlier harvesting could reduce the strength. Indeed there have been moves in that direction, while some big producers have gone to the other extreme.

The wines I particularly enjoyed at this marathon tasting, and which can be acquired from Geoffrey Roberts, with their dozen-prices, including VAT, were Firestone Sauvignon (Fumé) Blanc 1981 (£67.27), Robert Mondavi Chardonnay 1980 (£112.41), Freemark Abbey Chardonnay 1979 (£105.80), Trefethen Eshcol, a non-vintage red wine blend (£54.05), Robert Mondavi Pinot Noir 1978 (£94.30), Ridge, Paso Robles Zinfandel (£79.92) and Trefethen Cabernet-Sauvignon 1979 (£98.32).

By accident or design, the producer of what many take to be the top California sparkling wine, Schramsberg gave a tasting of six of his wines in London, and as a whole they were remarkably good, and certainly at least as good as many *grande marque* champagnes, have a good bouquet, freshness and crispness.

Three of these are on the Geoffrey Roberts list. I thought the Blanc de Blanc 1980 made a delicious aperitif (£117.30), while the Blanc de Noir 1978 (£143.75) was rather fuller. Incidentally, unlike with champagne, the Blanc de Blanc contains some Pinot Noir, and the



Blanc de Noir some Chardonnay. Not the least surprising fact about Schramsberg is that Jack and Jamie Davies only started it in 1965.

Back home, as it were, the proprietors of the 12 é Premiers Grands Crus Classes of St Emilion descended on London to show their 1981 and 1979 vintages: a notable occasion. The 1981s are not yet in bottle and were cask samples, the 1979s have been about 18 months in bottle.

The general conclusions to be drawn from this tasting seemed to be that the 1981s are somewhat lighter than expected, though with plenty of colour, and with a good aroma: often vanilla/oaky. Of course, they are mostly very tannic, and one can never be too definite about wines that may recently have been racked or fined.

The St Emilions from the then record vintage of 1979 were certainly on the light side, some distinctly pale for such young wines, and appearing to lack backbone. Maybe they are going through a phase, which often happens with fine claret, and it would be premature to generalise about the vintage. The St Emilions are certainly early developers, and that will be welcome to many consumers.

It is, of course, easy to prefer the leaders, and in my view Cheval-Blanc was the best 1981, with excellent colour, a fine nose, and a big fruity flavour though fairly developed for its age. Ausone too had a fine colour, an oaky aroma and a good deal of tannin: more closed up.

Another big-coloured, fruity tannic wine was Figeac, with as yet a slight woody taste: certainly among the leaders. Other 1981s that I particularly liked included Canon, very firm, tannic and closed-up, but with plenty to live on, Belair, with very good colour and bouquet, Beau Séjour (Bécot), fairly forward but with a vanilla aroma and good balance and Pavie, with an oaky nose, and a curiously clove-like flavour. The Magdelaine, usually so good, seemed a little out of condition.

Among the 1979s, Cheval-Blanc was light, without much nose, but easy to drink. Much the same applied to Ausone, but it had less character. One of the best was Canon, as it had more colour and body than some others.

The Figeac currently seemed rather thin, with a "grassy" flavour. The Beau Séjour (Bécot) had good colour for the vintage, and so had the Belair, if a bit edgy. The Clos Fourtet was very light, as had been the 1981, though that was above average for a growth that has yet to recover its one-time fine quality.

I am afraid I was disappointed with both vintages of Trottevieille and with La Gaffelière. The smaller part of Beauséjour (Duffau-Lagarosse) had good colour in both years, but was closed up in the 1981 and showed some acidity in the 1979.

Finally, it is often asked, are there any great Italian wines? Well, at least among the finest is that curiosity Sassicaia, produced from Cabernet grapes near the sea coast a little south of Leghorn.

The importers, Hunt and Braithwaite, laid on a tasting of ten vintages, from 1980 back to 1968. Deeply coloured, very concentrated with a powerful, earthy nose that somewhat resembles a very powerful red Graves, with age it achieves a surprising elegance.

... Wines on the High Street

BRITISH HOME Stores, with 39 wine-selling stores are not among the most prominent on the High St. Nor in range does their list compare with many others: less than a couple of dozen wines, of which the whites are the most prominent and most popular. At a tasting the following appeared the best value in quality and money:

Pale Dry Fino Sherry (Valdespino). An authentic, unsweetened wine, with a flowery nose, clean dry flavour of a true fino. Excellent £2.59 (70 cl).

Soave Superiore 1980 (Montresor): More freshness than a great many Soaves (the 'superiore' reflects higher alcoholic strength rather than quality. This had a touch of sparkle, no doubt injected, but this lightens the taste of a wine that has a suggestion of 'weight' at the end. £2.99 (litre).

Liebfraumilch Rheinpfalz 1981 (Hallgarten). Not, admittedly, my type of wine, but in its class respectable, for (a) it is all from one German wine district and not a blend from goodness-knows where (b) though fairly sweet it has an element of acidity that keeps it from the sweet-flabby. (70cl).

Mainzer Domherr Rheinhessen Kabinett 1981. Attractive aroma and has the better balance of fruit and acidity that a Kabinett wine should ensure, and worth that little higher price. £2.79 (70cl).

Pampered pooch in porcelain

BY JANET MARSH

THE FOOLISH but engaging animal pictured here oozes pampered aristocracy. He was modelled in the Vincennes factory, probably in the 1750s, and the artist has marvellously caught both his character and the attitude of nervy attentiveness: at any moment you feel, the dog will spring up and yap his fury at some suspicious stranger.

The poodle, which is to be sold at Christie's auction of fine European porcelain on Monday, stands 9 ins high, and gives every indication of being a portrait of a particular canine, made to special commission. The question is made more intriguing by the presence on the dog's collar of the name "Sophie." Since there is a strong anatomical case for thinking that the creature is male, the name may well refer to its owner: and the most obvious candidate would then be Madame Sophie, one of the four maiden daughters of Louis XV of France.

These princesses were characters. One of them, Louise, took the veil, but remained so worldly that when her father announced that she had left the palace in the night, her eldest sister Adelaide retorted smartly, "Oh, yes — and with whom?" Victoire was reckoned to have a good heart but not much sense. On hearing of a famine, she wept and asked, "But if the poor things have no bread, why can they not eat pie-crust" — thus anticipating the dictum of a more celebrated representative of French royalty.

Adelaide and Sophie were both known to have pet dogs. In her memoirs the Comtesse de Boigne remembered as a child being taken walking with Madame Adelaide and her large white spaniel Visir. When the ground was muddy, Visir was put in a linen bag, and carried by two servants in livery. The Comtesse recalled that since she felt a certain rivalry with the dog, she was rather proud of her own ability to walk comparatively unsullied through the mud *without* a bag.

Sophie's poodle will probably realise upwards of £20,000; but the sale has ceramic canines for more modest pockets, ranging downwards from a cuddly Strasburg creature of indeterminate breed, estimated at around £2,000 to a Meissen hound and pug, at £200-£300 each.

All these models date from the middle of the 18th century which was, to judge from portraits of the time, a peak period for doggy pets. Reynolds' sitters posed with their favourite spaniels. Gainsborough was a master of dogs as well as men: setters, collies and pomeranians all figure in his portraits, and he painted the actress Perdita Robinson with a bewitching Samoyed. Hogarth and Rowlandson both riposted with some disgraceful mongrels: a particularly sorry and vicious creature in Hogarth's "Marriage à la Mode" takes advantage of the death of the Countess to steal a joint of meat. But Hogarth too could feel sentiment for the species, and features his gentle

pug-dog Trump in his most famous self-portrait.

Pets were less in evidence in the early decades of the 19th century, though Byron inscribed the most touching of canine epitaphs in praise of his Newfoundland dog who possessed "all the virtues of man without his vices."

Dogs were to come back into favour in a big way with the Victorian age. The Royal family became and were to remain notable dog lovers. Sir Edwin Landseer delighted the public both with his superb naturalistic representations and with anthropomorphic fantasies like "High Life" and "Low Life" which contrasted canine aristocracy and impoverishment, or "Laying Down the Law" in which animals impersonated a human court-room. In 1859 the dog show was invented.

The Victorians' revived enthusiasm for dogs as pets in turn stimulated a renewed production of ceramic specimens; and humbler collectors are likely to find Rockingham and Staffordshire dogs a good deal more accessible than the fine 18th-century porcelain examples among which Sophie's poodle stands supreme.

Nor should the charm of these humbler pottery pets be discounted. The absurdly long-legged greyhounds, often vacantly dangling a rabbit from their mouths; the tidily spotted dalmatians; the square little pugs and the poodles, enthusiastically sprinkled with pottery fur and seated in cobalt blue cushions, have an appeal of their own.

Occasionally these Staffordshire dogs, too, purported to be portraits. A rare, titled figure commemorates Master M'Grath, the celebrated black greyhound that achieved the unparalleled feat of three Waterloo Cup wins in 1868, 1869 and 1871.

Much more frequently encountered are Staffordshire versions of "Dog Tray," based on the poem by Thomas Campbell, which achieved huge popularity with the dog-loving Victorian public when it was set to music by Stephen Foster:

No harp like my own could so cheerily play
And wherever I went was my poor dog Tray.

A Staffordshire group of Faithful Gelert was based on the painting by Maclise. Gelert was the hero of a fabricated "medieval" myth which delighted Victorian sentiments. The Welsh Prince Llewellyn arrived home one day to find his son's cradle empty and his dog Gelert stained with blood. The frantic father, suspecting the worst, plunged his sword into the dog's heart. The dog's dying howl was answered by a child's cry. The Prince discovered his son unharmed, but beside him the body of a great wolf which Faithful Gelert had slain. The Prince, to his credit, never smiled again.

PRINCE EDWARD. Tim Rice and Andrew Lloyd-Webber's EVITA. Directed by Hal Prince. Evgs 8.0. Low price mats Thur & Sat 3.0. Evgs perf ends 10.15. Box Office 437 6877. CC Hotline 439 8499. Group sales 379 6061 or Box Office. EXTRA PERFS. GOOD FRIDAY AT 8.0.

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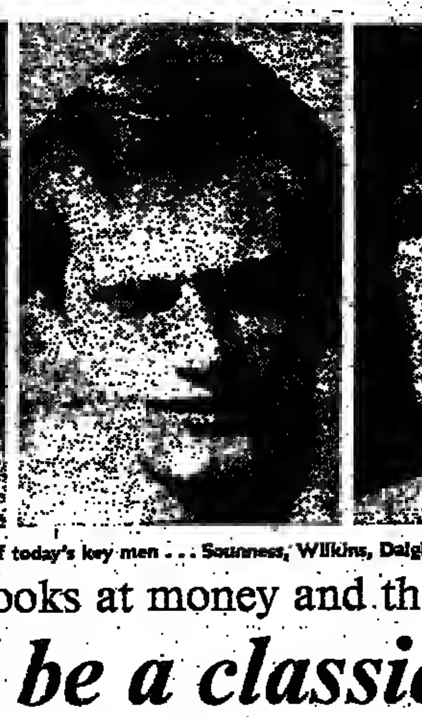

Three of today's key men . . . Souness, Wilkins, Dalglelsh

Trevor Bailey looks at money and the Milk Cup

It could be a classic Final

THE DANGER in sponsoring a very well known, long-established sporting event, such as the Oxford v Cambridge Boat Race or the FA Cup is that the sponsor's name can so easily be partially overlooked or forgotten. This is, of course, why there is much to be said in favour of sponsoring an entirely new tournament, like the John Player League or the Benson and Hedges Cup. However, the National Dairy Council, the voice of the dairy industry, has reason to be well pleased with their first year of football sponsorship culminating in the Milk Cup Final at Wembley today.

The League Cup, now renamed the Milk Cup, is a comparatively recent competition and has only developed into a major soccer event in the last decade, which has helped this season's transition.

The sponsor has been very fortunate in the two clubs who have reached the final: Liverpool and Manchester United. It is a dream confrontation because, in a season when the overall standard of play in the first division has probably seldom been lower, the best team in the land, Liverpool, and the only side in the first division to have made a marked improvement, Manchester United (with the possible exception of Watford and Stoke), are doing battle. This view of the first division was certainly reinforced by the meeting between Watford and Tottenham Hotspur last Saturday, when it was difficult to believe that only last winter the Spurs had been a clever, cultured team who were a real pleasure to watch.

The Milk Cup Final this afternoon could be a classic as there will be 22 high-quality players on display. In addition with so much class and experience there should be no danger of either team freezing. Certainly the prospects are infinitely better than the more prestigious FA Cup Final—whichever semi-finalists make it.

The National Dairy Council, who are funded by the Milk Marketing Board and the Dairy Trade Federation, have invested £2m in their football sponsorship over the next four year. In terms of national media advertising the present investment, is comparatively small if one takes into account the amount of both newspaper and television coverage allocated to the Milk Cup Final. What is perhaps also not fully appreciated about their overall strategy, is the considerable regional promotional opportunities in the early rounds.

The Football League are also delighted with the deal which has produced extra revenue at a time when it was especially needed, from a product which is above reproach. This year the sponsorship money has been divided equally between the 92 clubs, but next season success on the field will guarantee a larger share. The two finalists who share 80 per cent of the net return already do considerably better than their FA counterparts, but next year will do even better.

Who will win? I must fancy Liverpool, hope for Manchester United but will hedge my bets and go for a draw.

Dominic Wigan previews the Flat season

New challenge for Piggott

AS ANOTHER Flat season gets under way it would be easy for an impartial observer to assume that flat racing remains beyond the interference of such minor irritations as a major recession in the western world.

At Newmarket alone there are 250 more horses in training than in 1982 while the total figure for the country in 1983 is some 15,000 horses in training. Basic weekly training fees range from around £100 to £130 at one or two of the most illustrious establishments.

While dole queues lengthen and recession bites deeper in so many areas there is little sign of Britain's major training establishments headed by Newmarket and Lambourn feeling the pinch. Only a matter of months ago, an Arab consortium headed by Mahmoud Fustok saw the multimillion pound completion of their investment in Michael Albina's unrivalled Eve Lodge stables complex on Newmarket's Hamilton Road.

A little further out of the town Henry Cecil trains 150 horses for owners including Lord Howard de Walden; Mr H. Joel, Mr D. Wildenstein and Mrs G. F. Getty II at Warren Place.

There lies most of the "ammunition" for Lester Piggott as he sets out to smash Frank Buckle's all-time Classic record of 27 successes set up back in 1792.

Piggott, who notched his first winner on the aptly named The Chase at Haydock in 1948, will be relying heavily on Diesis and Dunbeath in the coming months and he seeks a Classic target of which he is currently three short. Diesis disputes market position with Ireland's Dazatore in the 2,000 Guineas-betting while Dunbeath is a clear favourite to further enhance Piggott's unsurpassed record in the Derby.

After his remarkable run as a two-year-old Dunbeath (8-1 to give Piggott a ninth Derby victory) was sold for an undisclosed sum thought to be in the £3-£3½m bracket. His trainer, whose prize money haul in 1982 was £873,000 must be more than a little thankful that

An historic look at last year's Flat—Walter Swinburn and Shergar

the colt's new connections wisely decided to keep the horse where he has already achieved so much.

In what should prove an absorbing campaign there will be few who will not be wishing Michael Stoute the best of fortune, with a very special two-year-old, THE COLT, who is as yet un-named, is a half-brother to Shergar—still missing and presumed dead two months after his kidnapping.

A young trainer and jockey who are both destined to make their mark in no uncertain style this season, can get off to a flying start by taking this afternoons William Hill Lincoln Handicap. The partnership of Kim Brassey and the 5 lb claiming apprentice, Steve Dawson, look to have a bright chance of landing the campaign's first big race through a 33-1 chance in Havon Cool.

A neat powerfully made horse, who acts on any ground, Havon Cool put up a creditable performance last spring when defeating Prince Reviewer by seven lengths in a Haydock Handicap. Then trained by Mercy Rimell, Havon Cool will take the world of beating if producing his best off 7 stone 8 lbs.

Some 40 minutes before the Lincoln, last season's most talked about filly Soba will be back in action as she tackles Bold Thought and Jester in the Cammidge Trophy. Chapman's course winner will go well but I somehow doubt her being quite forward enough to cope with Robert Sangster's Jester.

DONCASTER
1.45 Regal Express
2.15 Jester**
2.55 Havon Cool***
3.25 Il Pontevecchio*
3.55 Swift to Conquer
4.25 Costalotta

NEWBURY
1.45 Prominent King
2.15 Celtic Beauty
2.45 Ashorun
3.15 Mr Peacock
3.45 Spartan Missile
4.15 Linawn

The best of the best . . . Alan Forrest reports

Sports heroes examined

TREVOR BAILEY and I attended the Whitbread Sports Awards ceremony this week, an occasion which purported to choose the best performers in the major sports since the turn of the century—on the strength of interviews with 2,000 fans.

We sat at separate tables. Trevor was near the top, a fitting place for one of the nominees for cricket's best all-rounder but I think I managed to impress Sir Leonard Hutton by telling him I played in Yorkshire league cricket, where he began his career.

Trevor missed out on the award. It went, predictably if not fairly, to Ian Botham, against competition from his betters—for example, W. G. Grace, Wilfred Rhodes, George Hirst, and for that matter, Trevor Bailey. I think Botham needs a few more seasons to qualify for this kind of award.

But it was a marvellous occasion. What more can a sports fan want than a chance to rub shoulders with Fred Perry, Billy Wright, Bobby Moore, Mike England, Bill Beaumont and Sir Stanley Matthews, and watch a marriage of true minds three generations of Kent and England wicketkeepers, Leslie Ames, Godfrey Evans and Alan Knott?

My colleague, Trevor Bailey, sums up: "The eventual selections were often distinctly odd. Although Henry Cooper is the best-known and best-loved British boxer, he cannot be described as the fighter of the century. And no serious cricket student could rate Boycott ahead of Hobbs and Hammond as a batsman.

"I was honoured to find myself bracketed alongside Grace and Botham in the all-rounders' category and ahead of a couple of Yorkshiremen, Rhodes and Hirst, who were really rather special. But looking at Botham's Test record, I was completely happy with the award going to Ian."

For the record the major awards included: Best batsman to Geoffrey Boycott, best bowler to Fred Trueman, best jockey Lester Piggott (flat) and Fred Winter (jumps), Fred Perry (tennis), Tony Jacklin (golf), Stanley Matthews (wingers), Jimmy Greaves (goal scorers), Bill Beaumont (rugby forwards), Brendan Foster (long distance runners) and Joe Davis (snooker, awarded posthumously).

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Saturday March 26 1983

Reminders of the old days

WITH sterling on the slide, and an old-style mainstream Labour candidate winning a by-election from a mainstream Thatcher-wing Conservative candidate, we seem almost to be revisiting economics and politics as we used to know them. There was little sign by polling day of the Falklands effect, nor of the mesmeric grip of a Prime Minister who protects the value of money by sheer willpower, nor of the splits and internal squabbles in the Labour Party. Only a 24 per cent showing by the Alliance showed a change.

That was not the only reminder of old times. The new-style social contract — now called partnership — between the Labour Party and the unions is a powerful reminder of past efforts in this direction. The main themes—planned growth, subsidies, egalitarianism, a state investment bank, exchange controls and a dangerous vagueness about wage costs—are a re-hash of themes that go right back to the first Wilson government nearly 20 years ago.

There are significant changes, notably a much greater emphasis on action at the level of the firm, and a determination to keep sterling competitively low rather than to keep it high and fixed, and naturally a top priority for expanding employment. Still, the strongest impression is that on domestic questions it is the same old Labour movement, give or take some rather inadequate lessons from experience.

Escapism

This impression of revisiting the past is quite deceptive, however. The economic isolationism which is the threatening new theme in Labour thinking is sheer escapism. The outside world of floating rates, the arms race, oil cartels and debt crises is a nasty, threatening place; Labour's thinking might be summed up in the title of a 1960s musical — "Stop the world, I want to get off." But in economic reality, as President Mitterrand has realised, it cannot be done.

In the 1960s it was still possible to imagine, though misleadingly, that a small economy like Britain's could show all-round competence—design and build its own cars and aircraft, its power stations and computer networks, and even its independent nuclear deterrent.

Obsolete

This is no longer anything like reality. In the simpler old technologies we now face punishing competition from newly emerging industrial powers. In shipbuilding, not even the Japanese can now compete with the Koreans; for the future it is worth brooding about Mexican steel and Brazilian cars. Our simpler airframes are now jobbed out to Romania. Climbing the scale of sophistication, we nowadays develop cars with the Japanese and new aero-engines with most of the industrial world; we debate whether to build an American reactor at Sizewell with a French pressure vessel and British trimmings. Self-sufficiency is an obsolete dream.

Financially, too, we are subject to events beyond our control, despite the promised freedom of floating exchange rates. The crises of the 1960s were about running out of reserves. That is a worry of the past, but it seems an almost comforting style of crisis compared with what volatile exchange rates and high real interest can wreak on us.

We are not entirely helpless: an old-fashioned war preserved the Falklands, and an old-fashioned slump has beaten down inflation, but current problems will not yield to this confrontational style. The present British approach to oil pricing and the exchange rate does not speak of steely determination: keep your fingers crossed and dither appears to be the only solution which suggests itself.

Message

Against this background, the recent by-elections may have a message which has nothing to do with the sense of *déjà vu* on Thursday night. It is that voters are more willing than ever to think for themselves. They know the difference between an Ossie O'Brien and a Peter Tatchell; they are not over-impressed with a budget aimed rhetorically at stability while sterling slides. They listen, judge, and are ready to change their minds.

This is not comforting news for a government which may have to face some unpleasant decisions before long. Our action on the oil price may either land us in a punishing row with our EEC partners, or start off a further price fall which would leave the Chancellor's financial strategy noticeably dented. The exchange rate, sooner or later, may require unpleasant action, including higher interest rates—especially if Darlington should lead to a revival in the opinion polls of a devaluationist Labour party.

The agonising thing for the Government is that the correction of sterling which has already taken place could produce a quite convincing recovery of the home economy, at long last; in a calm environment there would be much to be said for soldiering on. However, nasty choices are usually best handled by governments with time ahead of them. The outside world is beginning to nag for an early election.

POLITICS TODAY: AFTER DARLINGTON

Labour eyes the Liberals

By Malcolm Rutherford

NO ONE can complain that recent by-elections have lacked drama. After the triumph of tactical voting in Bermondsey last month, this week there was the candidates' by-election in Darlington.

In the first week of the campaign the opinion polls suggested that the SDP-Liberal Alliance was in first place, ahead of Labour. Then Labour began to catch up and eventually to take the lead. In the last few days there was a race for second place between the Alliance and the Tories, which in the end the Tories won handsomely.

What does it all mean? The fashionable answer is electoral volatility. A better phrase might be consumer choice, as the electorate looks at what is on offer, studies the form, and decides how, or indeed whether, to vote. In Darlington the turnout—at around 80 per cent—was exceptionally high, but the result is still no clear guide to what might happen in a general election.

Two points stand out. The first is that by-elections for the while have ceased to be about issues. Everybody said in Darlington that the key issue was unemployment. The opinion polls say the same nationally. But that is a quite different question from deciding which party is best equipped to deal with it. If the electorate had a straight answer to that, one of the parties would have emerged as a much more convincing winner.

In fact, the two latest by-elections have been about the voters choosing the best candidate to represent them. In this they use the evidence of the opinion polls: tactical voting,

All the parties must be stocktaking

as in Bermondsey. But they also reply on their own eyes and ears. Bermondsey might never have gone Liberal if there had been a different Labour candidate. And what would have happened in Darlington if the Labour candidate had been Mr Chris Mullin, the editor of Tribune, as he nearly was?

The people of Darlington seemed to have looked at the candidates available and sufficient of them decided that Mr Ossie O'Brien, the Labour man, was the best bet. There is no contradiction here with the result in Bermondsey. Mr O'Brien was the voters' choice, like Mr Simon Hughes in Bermondsey before him. It does not greatly depend on party allegiance.

The second point follows from the first. In a three-party system almost anything can happen. Consequently, it would be unwise to read too much into the Darlington result.

Nevertheless, by-elections and opinion polls remain the best guide we have to the mood of the electorate—the local elections on May 5 will be another—and it would be absurd to say that Darlington makes no difference. Consider, for instance, what might have happened to Mr Michael Foot if Labour had come third, or to the state of both major parties if the Alliance had won.

As it is, all parties must now be undergoing some stocktaking. Take Labour first. Mr Foot's position as leader looks more secure. In a sense he always seemed more likely to stay than go, if only because of the problems of the mechanics involved in seeking to remove him. But as recently as last weekend there were stirrings against him in the event of Darlington going badly.

Mr Denis Healey, the deputy leader, has not raised a finger, though his position might be compared with that of the Egyptian military commander who defected from President Sadat: one of absolute loyalty until the moment for treachery arrived. There were some rumblings among union leaders, too, on the grounds that Mr Healey might be a more likely election winner. All that is over, at least for the time being.

There is a sophisticated view that having (more or less) united the Labour Party and shown that it can come from behind to hold a marginal seat in the North East, Mr Foot might go voluntarily. But that overlooks his own sense of mission. The Labour leader takes his position on nuclear disarmament very seriously and would not easily entrust it to Mr Healey or Mr Peter Shore.

So it seems that Mr Foot will stay. And he has begun to construct a Labour Party after his own fashion. Mr O'Brien in Darlington was a perfect example: neither hard right nor hard left, but just Footite. The clue lies in the dependence on the trades unions.

One of the most revealing quotes of the campaign consisted of Mr O'Brien thanking the Trades Unions for Labour Victory movement for its support. Indeed the union men were all over the place. Without them it is doubtful whether Labour would have won. It is a long time since the Labour movement has made such a flat-out effort in a by-election.

The unions were evident again in Mr Foot's other activities this week: the publication of the document "Partners in Rebuilding Britain" by the TUC-Labour Party Liaison Committee. It may be said that it is merely the old "social contract" writ large, and Mr Len Murray, the TUC General Secretary, admits that there may be problems in persuading union branches around the country to adhere to it. But it cannot be denied that a great deal of preparation has gone into it. Mr Foot means what he says when he insists that the Labour movement must work together from the start.

You may not like it, and it is ironic that the document should have appeared just when the Socialist Government in France was preparing a new round of austerity measures following the third devaluation of the franc. But there is a strand of the electorate which supports it and believes that exchange controls and protectionism can raise low pay and reduce unemployment. Under the British electoral system, Mr Foot could still win. The programme will be ready.

Ashley Ashwood

'Mr Ossie O'Brien is a perfect example of Michael Foot's Labour Party: neither hard right nor hard left: but just Footite'

Some Labour thoughts, however, are also turning to the possibility of a hung Parliament. Mr Foot began to let it be known some weeks ago that he would not be averse to working with Mr David Steel, the Liberal Party leader, as he did during the Lib-Lab Pact under the last Labour Government.

At the Anglo-German conference in Koenigswinter last weekend, Mr Healey took it further. Mr Steel was on an all-party platform answering questions about the state of British politics. Mr Healey began to describe him as an old friend, snaking his arm round Mr Steel's shoulders as he did so. They had co-operated before, and could again, though next time it would be more a coalition than a pact.

"Being embraced by Denis Healey," said Mr Steel, "is like being kissed by a vampire." But there is no doubt that a message had passed. The Labour leadership is out to split the Alliance and is preparing to woo the Liberals.

Inside the Alliance, of course, it is all professions of mutual loyalty, despite the poor showing in Darlington. Indeed the only comment that needs to be made on Mr Tony Cook, the SDP candidate, is his own. He had been selected only two weeks before the by-election. He had expected, he said, to fight a general election "and then go through on the tide." He was a lightweight, crushed by two heavyweight machines.

Not that the SDP has anything to be ashamed of. Two nights before the election Mr Roy Jenkins, its leader, delivered the best by-election speech I have ever heard him make. The process of conversion is still going on, even if it does not always stick.

Yet there are other thoughts for the Alliance to dwell on. It does seem that Liberal candidates do better in by-elections than those of the SDP. Mr Bill Pitt won Croydon for the Liberals and Mr Hughes, Bermondsey. Mr Cook failed to win Darlington for the Social Democrats.

It is also quite likely that the Liberals will win more seats than the SDP in the next Parliament, if only because of the way that the constituencies have been distributed. Certainly the Labour Party takes that as received wisdom.

The first conclusion to be drawn from that is that the Alliance will almost certainly delay yet again the choice of Mr Jenkins as "Prime Minister designate." The second—more hypothetically—is that there could be a Parliament next time where Labour and the Liberals could find it in their interests to talk to each other. The Conservatives by contrast, have not even begun to put out feelers to any part of the Alliance.

So where do the Tories stand now? By no standards can they be said to have fared badly in Darlington. Mr Michael Fallon, their candidate, was widely regarded at the start of the campaign to be unsuitable to the area and condemned to third place. In the event, he came a more than respectable second, less than five percentage points behind Labour.

And yet there are dangers. If Labour has shown that it can still hold off the Alliance in the north, the Conservatives have still to show that they can hold off the Alliance in the south. That is the threat which continues to worry Mr Cecil Parkinson, the party chairman.

Darlington, though northern, is still a reasonably good example of what could happen in the southern region. The Tory vote dropped nine points. Falls of that magnitude in the south

The electorate has its own guessing game

could hand some seats to the Alliance while Labour was sweeping the north, Wales and Scotland.

The BBC computer projections of the Darlington result repeated on a national scale, incidentally, gave the Tories 320 seats, Labour 267, the Alliance 37 and others 26. (There will be 17 Ulster members next time.)

That would make the Conservatives easily the largest party, but without an overall majority. It is a projection and no more than that, but it does indicate that the Tories are not nearly as safe as the opinion polls sometimes suggest and may need allies.

As to the election date, talk that June this year is now out is to some extent disingenuous because it was never really on. Mrs Thatcher has long preferred the idea of waiting till around March 1984.

She may well be wrong about this and it may be argued even now that the better risk would be to go as soon as possible. But the fact is that the party is scarcely ready for it and it would be profoundly uncharacteristic of the Prime Minister to be seen to cut and run. And if June is out, it seems to me that similar arguments apply against October—only three months further on.

Besides, the recent upturn in some of the economic indicators are themselves a reason for waiting. If the economy really is beginning to grow again, despite unemployment, better to let it blossom a bit before going to the country.

The paradox is that while Mrs Thatcher exercises her right to keep everyone guessing about the date, the electorate is keeping the politicians guessing too. Nobody knows what will happen next.

Letters to the Editor

Moderation

From Mr R. Howe

Sir,—Mr Holden's letter (March 18) concerning tax takes the issue much nearer than most Press releases and official statements have done. I disagree, however, with his computation since VAT is an ongoing story and may apply several times to a manufactured article before the final sale price. Also VAT is applied to the highest price thus producing a maximum effect. This has enabled foreign imports to pay the fare to our doorstep and leave an ample profit. For the consumer on 30 per cent tax his allowances are engulfed in excise duties, rates, special water bills, etc. and his available money is then diminished by 30 per cent and most of the things he buys by 15 per cent (from the top) thus making nearly 50 per cent tax take at that point.

It is dangerous to add percentages since they usually apply to different starting points and I suspect Mr Holden's final sum of 38 per cent is very much under valued. A system of self-perpetuating oligarchy is now taking place to try to eliminate the work enterprise of those who have had too much of over-taxing and long to operate in what is known as the Black Economy. This form of voting with their feet should be taken as a warning that there is no more blood left in the stone, instead of regarding it as a challenge to engage extra men and cost to hunt out the escapologists. Moderation is called for.

Ronald Howe.
Tokaranka,
Manor Road,
Doddington,
Kent.

Pound

From Mr C. Pohl

Sir,—A superficial aside in the review (March 12) by George Watson of *Pound/Ford: The Story of a Literary Friendship*, should not pass unchallenged.

The assertion that Ezra Pound was "a victim of monetary ideas even dottier than monetarism," is one of several solecisms which have been frequently repeated by those presumably unfamiliar with the relevant influences on Pound's thought.

Pound belonged to a political tradition in America which stemmed from those who abhorred the imposition of a rigid metallic monetary system on a developing economy because they believed it would worsen depressions, and who opposed the development of a central bank with private shareholders. They opposed centralisation of credit under private control, as a development which would promote the growth of irresponsible plutocratic privilege.

Ezra Pound particularly admired on this account Presidents Jefferson, Andrew Jackson and Martin van Buren who opposed the renewal of the charters of the first and second Banks of the United States. He was deeply influenced by the writings of the 19th Century American monetary historian Alexander Del Mar, who opposed the demonetisation of silver on strikingly "modern" grounds, favoured a paper money system under state control, and who as an opponent of the classical academic economic establishment of his time, anticipated some of the ideas of Keynes.

Of the economic writers in the inter-war period, Pound commended many of the criticisms of C. H. Douglas, while not committing himself exclusively to the latter's prescriptions. He more emphatically supported the underconsumption theories of Silvio Gesell, who emphasised hoarding and a low velocity of circulation as a cause of slumps.

In the *Cantos*, Pound explicitly endorsed the stamped money experiments of Gesell's followers in Wörgl, Austria, who achieved local full employment in the midst of the great depression through a scheme which destroyed the liquidity preference attaching to money, and paid off the municipal debts in the process.

What Pound deplored were monetary systems which allowed production and employment to be strangled under a dead weight of debt and falling prices, and which caused great works of art to be sold up as bankruptcies spread. He regarded these as cancers of civilisation. To say that such a critique is "dottier than monetarism" betrays a complete ignorance of Ezra Pound's thought in this sphere, and is a glib misconstruction of the record.

Cyril Pohl,
Mount View, Greensword Lane,
Hockley, Essex.

Budget

From Dr D. Pollard.

Sir,—The Chancellor of the Exchequer's recent budget is an ever-so slight U-turn from his previous policy, allowing as it does for an increase in inflation. But then, one wouldn't go ahead and squeeze the remaining few points of inflation out of the economy, and make a further 1m or so people redundant in an election year, would one? One would wait until one had secured a second term of office before returning to the full rigours of the resolute approach, wouldn't one?

(Dr) David Pollard,
41 Oakfield Crescent,
Blaby, Leicestershire.

Accounting

From Professor D. Myddelton

Sir,—In his Budget speech the Chancellor of the Exchequer, referring to the taxation of inflationary profits, said he awaited the outcome of the accountancy profession's further considerations. That surprised me. For the last Conservative government (of which Sir Geoffrey Howe was a member) vetoed the accountancy profession's own proposals for constant purchasing power accounting. Surely the profession is still under orders to implement the current cost accounting recommendations of the government committee? Or have these political instructions now lapsed?

(Professor) D. R. Myddelton.
Cranfield School of Management,
Cranfield, Bedford.

VAT

From the Chairman,
British Legal Association

Sir,—VAT at 15 per cent on a legal aid social service—was not lifted in the Budget and so money which could be spent by the legal aid fund on extending limits of financial eligibility for legal aid and/or by making legal aid available where it is now denied (eg in industrial tribunals), is lost. Alternatively, it is wastefully circulated by civil servants between one government department and another and sometimes paid out of the pocket of the legally aided party.

In addition to the suffering of clients who desperately need, but are denied, legal aid, solicitors continue to be paid less than adequate fees for legal aid work although Lord Hailsham has acknowledged that, compared with other social services, the amount government spends on legal aid is miniscule. Does this or any other Government want the ordinary man or woman to obtain justice?

Stanley Best,
116 London Road,
Southborough,
Tunbridge Wells, Kent.

Plutonium

From the Director, Division of Public Information, International Atomic Energy Agency.

Sir,—This is in reference to the article on March 11 entitled "UK plutonium helped Japan's nuclear effort" which contains the following misleading sentence: "The export order was approved by International Atomic Energy Agency, custodian of the non-proliferation treaty."

While the IAEA applies safeguards in states party to the non-proliferation treaty under safeguards agreements concluded with these states, it is not correct to state that export orders are approved by the agency. The agency has nothing to do with commercial transactions and has no power to either approve or not to approve them. Nor is the agency "custodian of the NPT."

Georges Delcoigne,
Wagramerstrasse 5,
P.O. Box 100, A-1400,
Vienna, Austria.

Worldly

From Mrs M. Miller

Sir, — As a peace woman — Women's International League for Peace and Freedom, and West Oxon Peace Group — I'm getting very bored with being called a dupe of the USSR — unintentional or intentional (March 22). Just because I don't agree with government policy and have not done so since I began to vote, doesn't mean that I am a Communist. Nor do I see all government supporters as war-mongers. Douglas Hurd, my MP, I know works as hard as he can for arms control. But I am not politically naïve; I don't appreciate being told that I should see the world as it really is. What does this mean? I see the world the way it is to my perceptions, which I have gathered from my (grammar school/university) education, my upbringing, information available and experience. This view is bound to differ from the male/public school/politician/civil servant view, but it is no less valid.

I can't see that threat of Russian invasion of Germany is any more real now than in the days of détente and the Helsinki agreement. Afghanistan has happened, but so has El Salvador.

So some think the Soviets want to conquer the world, and particularly the UK, and set up a worldwide Communist state. Equally the U.S. wants to conquer the world and set up "nations" of free enterprise. That is the real world that I see—a balance of power, which existed long before Mrs Thatcher tried to make us see the Russian threat as a Fascist one.

So where do we go from here? Do we continue to listen to the Thatcher/Reagan rhetoric about the Red threat, continue to stockpile weapons to "defend" ourselves, continue to divide the nation into confronting camps of "multis" and "unis"? Or do we want to continue to maximise pressure on the negotiators (on both sides) to reduce and control armaments to try to make chinks in the Iron Curtain to reduce East/West tension, all the time holding fast to our own personal independence, integrity and love of living in a free, open society?

(Mrs) Margot Miller.
Pump Close,
Shilton, Oxon.

Missions

From Mr A. Hallsworth

Sir,—Even if unwittingly, Robin Bruce Lockhart (March 22) may have identified the true nature of Monsignor Bruce Kent's mission. Surely the Monsignor has never relinquished "his first duty as a priest, preparing souls for the next world." Clearly, within this brief, he is allowed to try to ensure that we do not all leave this world far too early—and all at the same time!

Alan Hallsworth,
9 Alsford Road, Purbrook,
Portsmouth, Hants.

Photograph donated by R. Ian Lloyd, Apa Photo Agency, Singapore.

A green earth or a dry desert?

There may still be time to choose

The World is destroying its tropical rainforests. Half the forests have gone, and the speed of destruction is accelerating. If this continues we will lose for ever the earth's greatest treasure house of plants and animals, perhaps our most valuable natural resource for the future. In the next 25 years the vast forests of Malaysia and Indonesia could be gone forever, leaving erosion to turn a green paradise into a barren wasteland.

It's happening partly because the local people depend upon the forests for their immediate needs for survival, partly because of demand in the developed world for tropical timbers.

In 1980 the WWF and other authorities published a plan for developing resources without destroying them. We need your help to ensure that it is put into action. Write to WWF for more information. It could be the most important letter you ever write.

WWF
World Wildlife Fund – UK, Panda House,
11-13 Ockford Rd., Godalming, Surrey
FOR WORLD CONSERVATION

Barry Riley, Financial Editor, reports on moves to reform London's new share issues market

The problems of taming the stags

THE STAGS, at last, are at bay. This week the London stock market's new issue speculators, who have enjoyed a marvellous run of success over the past year or so, were disappointed to find that the glamorous Datastream offer for sale was being organised as a tender issue, rather than as a fixed price offer.

It is a clear sign that the big merchant banks which sponsor major new issues in London have decided to hit back at the stags—speculators who subscribe for new issues with the intention of selling out at a quick profit.

In recent months new issue speculation has reached a peak. The controversial privatisation issue of Amersham International in February last year whetted stags' appetites for a series of hugely over-subscribed issues which have included a £210m slice of STC sold by ITT last October and more recently another Government sell-off, Associated British Ports and the flotation last month of Superdrug Stores.

Paradoxically, in the middle of all this, the biggest new issue of the lot, the privatisation of Britoil last November, turned out to be a spectacular flop. Three-quarters of the shares were left with the underwriters and investors have been nursing heavy losses ever since.

It is an all-or-nothing pattern which makes it appear as though the top merchant banks, and the big broking firms which also play an active role in new issues, are incapable of getting prices right. Naturally, this is embarrassing for them—however much it is enjoyed and exploited by many others in the City—and several leading merchant banks are now examining ways in which London's new issue techniques can be reformed.

Mr Robin Broadley, of Baring Brothers, is current chairman of the Issuing Houses Association, an umbrella body which represents some 60 banks and other organisations involved in the new issue market. He attributes the problem to a combination of factors, but primarily to a generally high level of speculation in equities as a whole.

"We've got a pretty frothy market at the moment," he suggests, pointing also to the "absolutely unlimited credit that people are able to get at present."

> **The tender method is often said to be unfair to the small investor**

Another factor, Mr Broadley believes, is the rapid change in the structure of the economy from old industries towards new ones. "Investment managers are frightened of being left out of some of these newer companies," he argues.

Other observers see changes in the nature of the stock market itself at the root of the problem. Twenty years ago the stock market was still dominated by private investors, most of whom were amateurs. There was a wide spread of opinion about any new issue—and the professional advisers stood a good chance of getting it more or less right.

Today, the market is much more institutionalised. It is also more professional. The small stags who fill in all those thousands of forms for the likes of Amersham and Superdrug are not, primarily, punters in Bournemouth or Harrogate, but City of London professionals.

It is not just that such professionals are able to value shares more accurately. It is also that they are regularly in touch with each other, and develop a collective "feel" for an issue. Moreover, they are often in a position to influence the institutional funds which build up their shareholdings in the market by buying shares from the stags after the issue.

New issue sponsors therefore face considerable problems in fixing a price maybe a week ahead of the event. The equity market in any case has become more volatile in recent years. It is scarcely surprising that the sponsors often get the price wrong.

The obvious way out of this problem is to stop trying to fix a price and let subscribers to the issue set their own level, by adopting the tender method. Under this system, subscribers can apply at various levels (though there is customarily a floor price). The method has in fact been used off and on over the past 20 years or so, but is deeply unpopular.

A bad reason for this is that such issues go against vested interests in the City. In particular, brokers and jobbers enjoy the hectic after market activity that goes with heavily stagged fixed price issues.

An issue mechanism, such as the tender issue, which ensures that shares go straight into the hands of long-term investors, is plainly unattractive to those who depend upon secondary market activity. In contrast, in some recent fixed price flotations, more than half the shares have changed hands in the first day of dealings.

A good reason, however, for the reluctance to opt for tenders is that the aftermarket tends to be very difficult. If the striking price is set at the level at which the issue is just fully subscribed, the shares will tend to go to investors who have misjudged the price. They will stand in the market at a discount, possibly for several years, and the company will acquire a list of grumbling and frustrated shareholders.

This is why the tender method is often said to be unfair to small, less professional investors whose judgement may be less sound and are therefore more likely to acquire shares at the wrong price. Alternatively, they may be too frightened to apply at all.

In tackling the new issue problem the merchant banks have come up against a new obstacle in the past couple of years — the Government. The succession of privatisation issues has at times created lucrative business, but the injection of political rather than commercial considerations into the new issue market has distorted it—and inevitably led to the Britoil debacle.

The merchant banks can only complain in private about their biggest customer. But they criticise in particular the insistence on preferential treatment for small investors — which has only encouraged multiple applications by stages, without resulting in large numbers of permanent investors—and the misuse of the tender method. The Government, it is said, has refused to recognise that an offer by tender must give the investor a chance by setting a low minimum price.

Where do the new issue houses go from here? Some have been studying the New York system, in which the main sponsor, or lead underwriter, puts together an unpriced prospectus or "red herring" which is then marketed through an underwriting syndicate.

Only at a late stage, after much negotiation, is a price put on the shares. It is a method which works when the syndicate members have extensive retail selling power, as they have in the U.S. But in London there is a much more fragmented market structure, and the London Stock Exchange insists that issues of any substantial size should be seen to be fair and open to all.

Another alternative would be to tinker with the technicalities of the existing fixed price offer. Stagging might be discouraged, for example, if all cheques were cleared (at present most small ones are not) and multiple applications were rigorously thrown out.

The problem here is partly one of expense, but primarily one of timing. Applicants to an issue have the legal right to withdraw if they do not receive their allotment within three working days. Any longer, and the issuing house incurs a risk that market conditions might worsen and cause many subscribers to withdraw.

A more promising area for reform is the underwriting system. At present, institutional investors are offered participation in the underwriting on the morning an issue is announced —the so-called "impact day"— and have to make up their minds almost instantly. Not surprisingly, the decision is usually based more upon the reputation of the issue's sponsors than upon a considered appraisal of the prospectus.

If, just before the issue closes, its prospects look at all doubtful, present underwriting methods have a destabilising effect. Any sub-underwriter who applies for the issue risks getting a double helping of shares which immediately go to a discount—the shares he subscribes for plus his proportion of the unbought shares.

A modification to the system which ensured that a sub-underwriter could be no worse off by putting in an application would clearly improve the problem of flops. But the more pressing problem for the new issue houses in a bull market is that of excessive stagging. And the answer here, clearly, lies in making the tender method more acceptable.

Mr Marcus Agius is in charge of the Datastream issue at Lazard Brothers, another leading merchant bank. "It always seemed to us to be a natural for a tender," he says, adding that although it is just a £3m issue there is "a thousand times as much discretionary money around which could be thrown at it."

He argues that if the offer had been on a fixed price basis it could have been underwritten at above the actual 180p minimum price—perhaps 5 to 10 per cent higher.

Lazard will retain complete discretion over where it sets the final striking price. Mr Agius will be concerned both to have a reasonable spread of new shareholders—not just a few who have tendered silly prices—and to have an eye for the aftermarket.

Certainly the tender method needs to be refined for it to become more universally accepted. Those involved in recent issues of this type see three areas for attention.

First, there needs to be great flexibility and sensitivity in setting the striking price. In discouraging excessive stagging, the sponsors should never make the mistake of trying to squeeze the last penny out of genuine investors.

Second, there is a strong case for giving special concessions to small investors. The idea in the Britoil issue of giving small investors the option of accepting a price set by the big institutional investors was a good one, although in the unfortunate circumstances of that particular issue it never came into effect.

Thirdly, there is a need to educate the public.

One big merchant bank which has launched more than its share of tender offers over the years is S. G. Warburg. One of its directors, Mr Michael Valentine, considers that in future "tenders should be the norm rather than the exception."

He recognises that each case needs to be considered on its merits. But he accepts that the new issue business needs some fairly basic changes. "We are thinking about all sorts of ideas," he says.

Weekend Brief

Dark and Light Blue Tideway stories

What do Honest John Phelps, Jumbo Edwards, and Stanley Duff Muttlebury have in common?

As any rowing buff knows, they are among the more colourful personalities associated with the most colourful of British sporting events, the Boat Race.

Phelps, a professional waterman, was the sleepy finishing judge in the 1877 race, in which, as Punch summed it up at the time, "Oxford won, Cambridge too." It is alleged that Phelps fell asleep under a bush having taken a nip too many and on waking declared the race "a dead heat to Oxford by five feet." That was the only official —albeit questionable — dead heat in 128 Boat Races.

This is one of the many intriguing and off-beat anecdotes in Christopher Dodd's book, Oxford and Cambridge Boat Race, to be published by Stanley Paul on Monday. It traces the history, background and characters of what began as an informal match one spring afternoon at Henley-on-Thames in 1829.

One of the best-known Tideway gurus is Group Captain Jumbo Edwards, who coached Oxford to 13 defeats and five wins, introduced the first "spade" blade for Oxford in 1960 and pioneered the "Moriarty" finish.

The "Moriarty" finish — the recovery of the body at the end of the stroke — is a key lesson in the Jumbo school of rowing, although coaches differ widely over its efficacy.

As Jumbo described it: "All the momentum of the body must be transferred to the oar handle while drawing it to a stand still while recovering the balance of the head and body by a powerful sweep-back of the outside shoulder while the back is straightening — as applied by Sherlock Holmes to pitch Professor Moriarty off the ledge above the Reichenbach Falls while recovering his own balance."

It is a powerful but elegant movement and oarsmen's admiration for Holmes has grown in proportion to their own struggles to perfect it.

Some of Jumbo's other innovations were less successful. His attempt to improve the timing of an Oxford crew by wiring its sliding seats together never caught on.

Muttlebury's claim to fame is that he is one of the only two Cambridge men to have won four races, although he did lose his fifth in 1890 against an Oxford crew captained by Guy Nickalls, who went on to have one of the best rowing records of all time. Cambridge's other four-win oarsman is Chris Baillieu (1970-73); an MBE with six bars for international sculling.

Oxford on the other hand, has eight four-race winners, and two winners of five.

The Cambridge answer to what it once called "the mumbo-Jumbo phenomenon" was the epigrammatic Lou Barry, who told one crew "you lot couldn't pull the skin off a rice pudding" after their last outing before winning the 1969 race.

Two legendary characters: "Honest" John Phelps and Lou Barry

Barry no longer coaches Cambridge, but he made quite an impression on Gonzo Bernstein, the present Cambridge cox, when he was steering the national lightweights four years ago.

Barry took him over the 4¼ mile course to explain the intricacies of the stream. He had walked across the river at low tide with a sounding stick and told Bernstein where the deepest points lay. "Lou was so absolute," Bernstein said later. "He knew where it was because he'd walked across and found out."

Dodd's eye for detail — the six red Cambridge lions on Oxford's gunwhale; the Cambridge cox's diet of flavoured nutrient powder; the good luck carnation floating in the bidet at the Cambridge crew's London lodgings —evokes a powerful and accurate atmosphere, in which the race can be seen through the oarsmen's eyes.

But the book must also be read for its rich mine of anecdotes, at least most of which are true. The one about the recent Cambridge blue who tried to sharpen his powers of concentration by driving at 80 mph down the fast lane of a motorway with his eyes shut is perhaps apocryphal. But it is a startling example of what Dodd calls "needle"—a force which all Boat Race oarsmen and coxes know well.

The O.U.P.'s linguistic soothsayers

"If anyone else asks me about 'yomping,' I think I'll yomp out of the window. But public interest in words and language is phenomenal, and the response to OWLS is a fantastic WOW."

Elizabeth Knight, promotion manager of Oxford University Press, is not a lady to wow easily. Humorous, charming, and precise, she runs OWLS (the Oxford Word and Language Service) launched last week. "On the 15th: the Ides of March, in fact." It has not been reported that *the bird of night did sit/Even at noon-day, upon the market place/Hooting and shrieking* in Oxford, as it did in Shakespeare's Rome, but no such minor phenomeoon would surprise Miss Knight. OWLS is already averaging 25 telephone calls and 20 letters a day.

Backed by all the authoritative resources of Dr Robert Burchfield's Dictionary Department—the multi-volume OED and its Supplements, files of 3m carefully selected references, the Oxford University Computing Centre and a trio of American databases called Dialog, Lexis and Nexis—Miss Knight and a team of linguistic soothsayers soothe enquiring hoots and shrieks about precise meanings, spellings, origins, and use of words in the teeming ocean of English.

"In three days we had half a dozen calls asking how to spell 'dyslexia.' Isn't that sad? But some questions are irritating—the spelling of some simple words, or idle curiosity about something silly. Somebody wanted to know about the phrase 'done like a kipper,' meaning 'conned.'"

So far, most queries have sought advice on the correct meaning and origin of words. Correct spelling runs a close second; with fewer requests for advice on useage.

Questions of all kinds occur to people who care about the English language and use a dictionary: should we say *teaspoonfuls* or *teaspoonsful?* What is the origin of, say, *a penny for your thoughts?* What is the name of those whirling antennae that children wore on their heads at the end of last year? *(Deely-boppers.)*

Public unease and debate over whether a singular or a plural verb should follow a noun like "family" may now switch to OWLS. OWLS is . . . are . . . (we need a ruling here, Oxford, please) ready for anything—even the call from a radio phone-in programme, "Australia Overnight," which insisted on interviewing Miss Knight live, between records. "Thank God, it was three in the morning their time, not ours."

An export challenge for Jaguar

A wiry, grey-haired figure tensed over the pit wall at Monza. Growling its way out of the Italian circuit's notorious "parabolica" a green and white XJS Jaguar charged down the pit straight, raising echoes in the grandstand rafters.

"This," muttered the watching figure, "is more nerve-racking than running the business."

John Egan, Jaguar's chairman, had decided to be present in person at the company's formal return to motor racing for the first time in 20 years (although the cars are actually being prepared by Tom Walkinshaw Racing of Kidlington). Egan's reasons for officially taking Jaguar back into motor racing are wholly pragmatic.

The company's reputation was first built on competition in the 1950s and early 1960s, particularly on its string of successes at Le Mans. That reputation became badly tarnished during the 1970s as Jaguar's identity was swamped in the mistaken merging of the individual BL car companies under the "British Leyland" umbrella during the Ryder era.

Quality and reliability suffered and Jaguar was in a pretty sorry state when Egan took the helm in 1980. But Sir Michael Edwardes's decentralisation was well under way and Egan had a virtually free hand to try to resurrect Jaguar. The results are well known: sales to the U.S. have quadrupled to over 10,000, they have risen strongly in the UK and so has the car's reputation for quality. The weak spot is the Continent where even in its best market, West Germany, Jaguar sold only 1,000 cars last year.

What better way to strengthen its position there, reasoned Egan, than tackle the European Touring Car Championship? There were good reasons for doing so. The ETC is highly prestigious — and requires the cars to run in visually unaltered form "so they don't look like freaks" says Jaguar engineering director Jim Randle. Also the championship has been dominated in the past by BMW. If BMW, one of Jaguar's fiercest commercial rivals, could be knocked off its competition perch, the prestige boost to Jaguar would make plans to double sales in West Germany this year and attract more buyers elsewhere on the Continent a great deal easier.

Pragmatism, however, went right out of the window in the dying minutes of the 500 kilometres Monza race. The two Jaguars, pitched against 17 BMWs, had taken pole positions on the grid. They had romped away from the BMWs in the early stages, building a lead of over a minute. They needed it, knowing that they would have to have two fuel stops to the BMWs one. At about one-third distance one Jaguar expired with an oil problem. But the leading car looked set for an easy win—until the bonnet flew up, wrecking its hinges. Twice the Jaguar went into the pits to have it taped down and by that time the BMWs had a comfortable lead. A more tense ending is hard to imagine: bonnet still flapping, the Jaguar crept up on the BMW. After 500 km and three hours of racing the Jaguar was just three seconds behind at the checkered flag. One more lap and Egan would have been with his drivers on the winners' balcony.

"There's no rush for second place," muttered Egan as a great horde of Italian enthusiasts engulfed the winner. But he was wrong. As the XJS drew up a few moments later a great burst of applause showed the Jaguar had made its mark and it too was submerged by the crowd.

Monza is a fast circuit which favours the big heavy Jaguars. More winding ones will help the BMWs. Even so, the ease with which the Jaguars left them behind at Monza bodes well for the British cars—provided they hang together. And if they are successful, it is probable, rather than possible, that 1984 will see a Jaguar back at Le Mans.

Contributors:
William Dawkins
Gay Firth
John Griffiths

Economic Diary

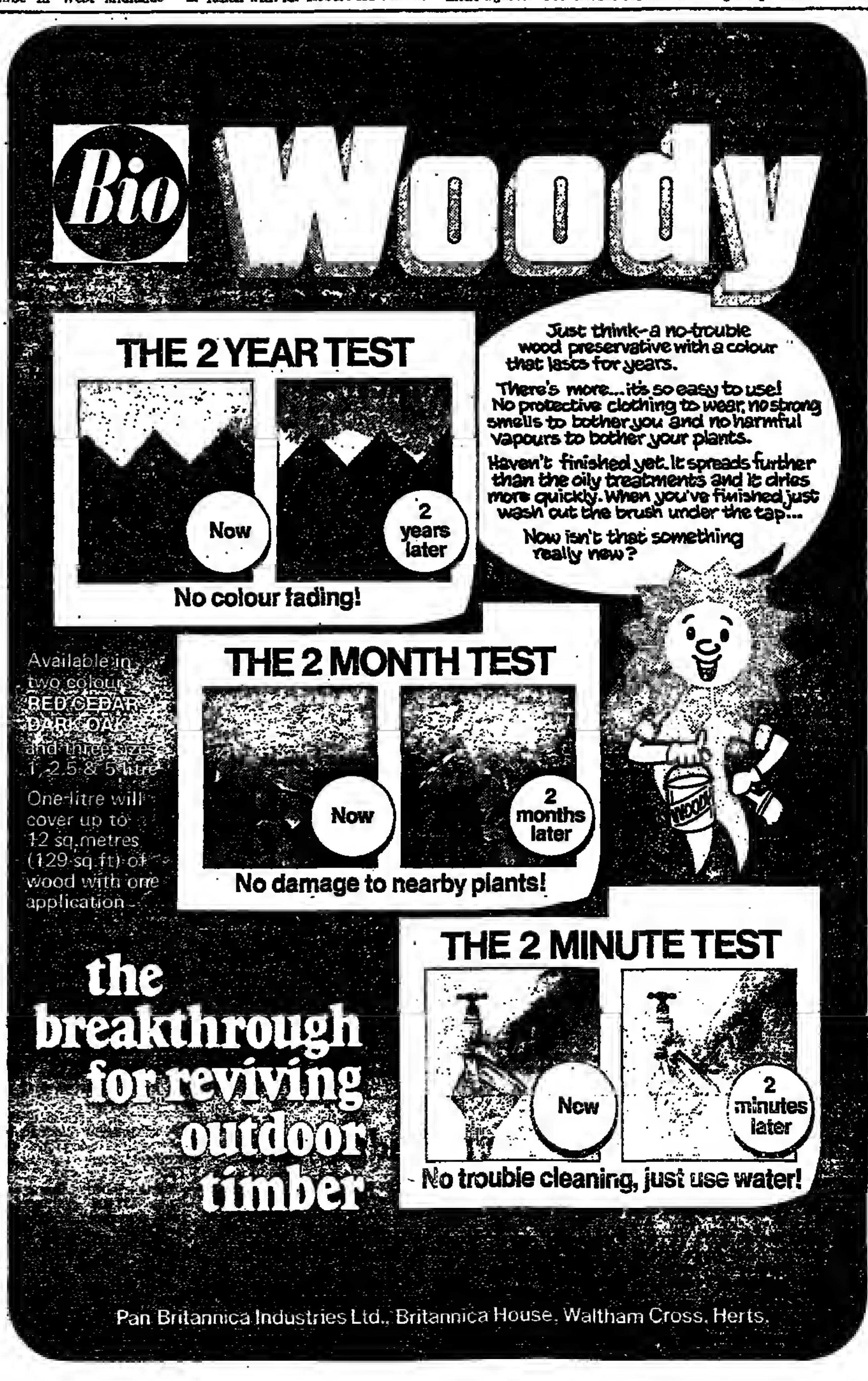
TOMORROW: Final day of ACTT annual conference at Congress House. United Nations Secretary-General Perez de Cuellar starts two-day visit to Moscow.

MONDAY: Confederation of British Industry monthly trends inquiry for March. TUC issues statement on people's march for jobs. EEC Agriculture Ministers meeting in Brussels. Small engineering firms investment scheme launched at the Department of Industry. Birmingham Chamber of Commerce hold conference on "Reversing structural decline in West Midlands" at Barbican Centre. Brymon Airways starts a direct service between Paris and Plymouth. Treasury and Civil Service Select Committee on the Budget. Witness: Sir Geoffrey Howe, Chancellor of the Exchequer.

TUESDAY: Mr William Whitelaw, Home Secretary, attends Drapers' lunch at Cafe Royal, W1. Final stages of the Telecommunications Bill in the Commons. Lord Mayor of London, Sir Anthony Jolliffe, has lunch with Mr Robert Huskisson, chairman of Lloyd's Register of Shipping.

WEDNESDAY: Finance Bill published. Bank of England publishes quarterly analysis of bank advances (mid-February). Central Statistical Office issues figures for national income and expenditure in the fourth quarter and year 1982. South African budget. Guardian Royal Exchange preliminary figures.

THURSDAY: Commons starts Easter recess (until April 11). Provisional March unemployment figures. Provisional March statistics for unfilled vacancies. Energy trends. Department of Employment publishes Gazette with final unemployment and unfilled vacancies in February, employment in the production industries in January, overtime and short-time working, in the manufacturing industries in January and stoppages of work in February due to industrial disputes. Employers expected to give response to chemical workers' pay claims. Talks on proposed job losses between unions and British Shipbuilders in Newcastle. Yorkshire Association of Building Societies annual meeting at Queen's Hotel, Leeds.



Harris Queensway up 56% and making £25m rights

BY DOMINIC LAWSON

Harris Queensway yesterday surprised the Stock Market with the announcement of a one-for-six rights issue at 260p per share to raise £25m. At the same time the company reported that its pre-tax profits for 1982 had jumped 56 per cent from £10.5m to £16.3m.

Mr Philip Harris, the chairman, said "this rights issue is basically for property. The market is very soft, and we want to take advantage of that. We may be spending £50m to £60m, and we're talking about yields of 10 per cent."

Recently there has been some speculation in the City that Harris Queensway would mount a bid for furniture and carpet retailer Waring and Gillow, but Mr Harris insisted yesterday "we are definitely not bidding for Waring and Gillow, and we are not holding talks with anyone else, either."

Mr Peter Davis, deputy chairman of the company, pointed out that last year Harris Queensway had moved from a position of net borrowings into net cash, but that recent acquisitions meant that the company now had net debt of about £5m.

Currently Harris Queensway operates through 445 stores, but Mr Davis said "we should be over the 500 mark by the end of this year."

As regards the first two months of the current year, Mr Harris said "it looks like turnover is 30 per cent up on the comparable period on a like-for-like business in the three main divisions. We're not saying that we will be 30 per cent ahead for the year as a whole, though we are being helped by lower interest rates and the upturn in the housing market. But we are not looking for an increase in gross margins this year."

Mr Davis said that in DIY "we initially made mistakes in management, merchandising and sites, but last year we finally got the formula right, and the business is profitable." Mr Harris added: "DIY has a lot of money to make back for us."

Yesterday the Harris Queensway share price closed unchanged at the all time high of 328p, though at one point in the morning it had slipped to 312p.

The new ordinary shares will not rank for the proposed final dividend of 4p per share. This makes 5.67p for the year, against 4.33p.

Of the new ordinary shares provisionally allotted to Mr Harris and his wife, 2.9m have been placed with institutional shareholders by the company's brokers L. Messel. Mr Harris will be taking up 600,000 shares at a cost of about £1.7m.

The issue has been underwritten by County Bank.

	£000 1982	£000 1981
Turnover	172,439	138,257
Trading profit	15,530	12,286
Interest paid	1,103	2,483
Property profit	895	660
Profit before tax*	16,322	10,463
Taxation	5,010	4,668
Net profit	11,312	5,795
Minority	292	86
Attributable	11,020	5,709
Dividends	3,301	2,521
Retained	7,718	3,188
Earnings per share	18.93p	9.97p

*CCA profit before tax was £15.87m (£9.68m).

See Lex

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corresponding div.	Total for year	Total last year
AI Industrial	0.01	—	0.01	0.01	0.01
Automated Security	1.05†	May 31	0.88	1.75	1.45
Alpine Holdings	nil§	—	2.98	2.28	5.25
Bridgewater Ests	14.5	—	13.5	19	18
Britoil	3.75‖	Jun 27	—	—	—
Campari Int	1¶	—	2.1	4.1	3.1
Clifford's Dairies	3.6	May 20	3.5	5.4	5
Eucalyptus Pulp	nil	—	6	nil	6
Firmin and Sons	2.5	May 27	3	4	4
Harris Queensway	4	—	3	5.67	4.33
Charles Hurst	2.25	—	1.65	3.58	2.98
Lex Service	5	May 14	4.2	8.1	7
Manson Finance ......int	0.5	May 18	1.5	—	2
Municipal Props	9.07	—	8.25	9.07	8.25
Macallan-Glenlivet	4.9	—	4.7	7.15	9.2††
J. N. Nichols	6	—	5.5	11.5	10
Pifco Holdings ......int	1.76	Apr 29	1.76	—	5.28
Relyon	2.75	May 31	2.71*	4.42	4.38*
Rightwise ......int**	1	—	1	1	1
Westminster County int	2.25	Apr 29	2	—	5

Dividends shown pence per share net except where otherwise stated. * Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ USM Stock. § As agreed under terms of offer from Kean and Scott. ¶ For 18 months, previous period 12 months. ‖ For five months. ** In lieu of final. †† For 17 months.

Lex Service advances by £4.2m

FURTHER progress has been shown by the Lex Service Group of car and commercial vehicle distributors. In the year ended January 2 1983 profit before tax has moved up by £4.2m to £20m.

Following the increased interim, shareholders are to receive a final dividend lifted from 4.2p to 5p, and this makes a total of 8.1p net for the year, compared with 7p.

There has been an encouraging start to the current year but it is necessary to be cautious in drawing conclusions, the directors stress. They point out that in recent years changes in the pattern of seasonal demand have resulted in variations in the proportion of its profits arising in each quarter.

In the past year sales advanced by £135.7m to £664.1m, from which a trading surplus of £24.5m (£19m) was attained. Interest charges went up from £2.9m to £4.5m.

After tax £4.2m (£1.1m), extraordinary charges £2.4m (credits £5.1m) and transfer to revaluation reserve £100,000 (from reserve £900,000), the net attributable balance is down to £13.3m (£20.7m).

Dividend cost is £5.3m (£4.6m) and £8m (£16.1m) is retained. Earnings are shown at 30.72p (24.24p) before tax and at 24.24p (22.54p) thereafter.

● **comment**

Schweber has not turned out to be a crock of gold at the end of the transatlantic rainbow; in fact the U.S. electronic component distributor is not even chipping in enough profit to cover interest charges on the money Lex spent to buy it. Even so the pre-tax line keeps pushing ahead towards former glories, thanks to Volvo. Importing cars from Sweden to feed the pipeline of 267 dealerships (Lex owns 11 of them) accounts for around two-thirds of its operating profits. Last year Volvo sales were 16 per cent up against an industry average of 4.7 per cent. With the smaller 300 series setting the running, it was not quite such good news in terms of cash margins but so far this year the larger models have swung back in favour and both ends of the range are up a third during the first two months. Even the BL dealerships are doing quite well in this market and the hope must be that 1983 will continue to be a buoyant year for sales. Some help from a further recovery at Wilkinson Transport should see this year's group profits up to £25m. That drops the fully taxed p/e from 14.6 to 11.6 prospective. The yield is 5½ per cent at 221p.

Automated Sec. makes £3.24m

A NEAR £900,000 advance in profits, a lift in the dividend, and a 1-for-1 scrip issue for the year ended November 30 1982 are announced by Automated Security (Holdings).

Compared with at least £3m forecast and with £2.35m achieved in 1980-81, the profit for the past year has reached £3.24m, from turnover £2.41m ahead to £20m.

The final dividend is 1.05p, as forecast with details of the rights issue in July. This pushes up the total from 1.45p to 1.75p net.

In the year rental income rose 28 per cent to £9.17m. The pre-tax profit was struck after interest charged £872,000 (£927,000) and share of associates' loss £36,000 (£17,000). Tax takes £180,000 (£135,000) and £404,000 (£112,000) is written off goodwill.

Earnings per share were 14.64p (11.42p) and cost of the ordinary dividend came to £389,000 (£263,000).

Gross rental assets under the group's control increased by 24 per cent to £30.5m. At the year-end Automated's asset value had surged by 113 per cent to 88.16p.

● **comment**

The market is plainly delighted at Automated Security's ability to keep pulling profit rabbits out of the hat. The company has a six-year compound growth rate of more than 36 per cent and the market showed its appreciation of the latest result by marking the share up 29p to a new high of 474p. The nature of the operations and the inflation linked rises in rental from the expanding commercial core business have cushioned the company from the worst effects of the recession. But a broadening business base and heavy development costs in new growth areas have prevented any dramatic rise in earnings. With the bulk of the development costs now behind it, profits could move into a higher gear this year. Article surveillance remains the major growth area and the acquisition of a 30 per cent interest in Security Tag Systems International should add further impetus to profit growth. The proceeds of the £8.2m mid-year rights issue are still largely intact and Automated is likely to remain acquisitive.

Campari at £0.7m in 18 months

LEISURE, CAMPING and boating equipment importer and distributor Campari International made taxable profits of £700,000 on turnover of £35.8m in the 18 months to November 30 1982. This compares with a pre-tax surplus of £608,000 for the previous 12 months, made on sales of £20.19m.

The final dividend is set at 1p net per 20p share (2.1p) making a total for the 18 months of 4.1p, against 3.1p for the previous year. Earnings per share are given as 6.25p (7.35p).

The directors say the general economic weakness influenced the group's results. However rationalisation has taken place in the last year to enable it to take full advantage of an upturn when this occurs.

Turning to the current year they say that during the past two months, there has been a meaningful increase in sales. The UK operation is showing definite indications of improvement in both turnover and forward orders which are well ahead of last year.

The directors have established a division marketing a new concept of sportswear under the Private Stock label. This range is extremely well accepted both in the UK and Europe, they report, and should add significantly to turnover and profits.

The chairman anticipates increased turnover and profitability for the group in the current year.

The pre-tax profits were struck after interest charges of £2.2m (£1.46m), while tax took £189,000 (£8,000). Final dividend waivers amounted to £15,635.

● **comment**

Campari's 18 month pre-tax profit of £700,000 does not look encouraging against the previous 12 months' £608,000, yet the market recognised that it was better than expected and marked the share price up 12p to 61p. The results were affected by a costly rationalisation and November's devaluation of the Swedish krona, which meant around £160,000 of potential profits evaporated. In addition, Campari built up substantial stocks of a new line of sportswear in anticipation of the market upturn which now shows signs of taking place. The cost of financing this exercise pushed up gearing to 145 per cent; one point short of its all-time peak. In the current year, the company plans to expand further into West Germany and the Netherlands, where markets are firmer because of higher levels of disposable income. Margins in those countries are also assisted by the comparative strength of their currencies against the U.S. dollar, which benefits Campari because it buys most of its products in dollars or dollar related currencies. The company reports that its UK operations, where margins have been thinnest, are improving, with the new lines being enthusiastically received and orders well ahead of last year.

1% extra and scrip from Bridgewater

Including £678,000 from the sale of land to the National Coal Board, profits of Bridgewater Estates have risen from £701,291 to £1.26m in 1982. A final dividend of 14.5p gives a total of 19p, against 18p, and the directors propose a 1-for-1 scrip issue.

After tax of £592,000 (£77,121) the net profit was £669,000 (£624,000). Earnings are 24.77p (23.11p) on a net basis and 33.66p (27.13p) on a net distribution basis.

In spite of the sale of 750 acres to NCB, a joint professional valuation as at December 31 1982 shows the group property at £12.17m, against £8.48m in 1980.

The directors have decided to increase the housebuilding activities and intend to raise 1983 sales "very considerably" over last year's levels, and the initial results are promising.

Recent approvals of local plans have made available to the company ample supplies of building land for a "high level of activity at least to the end of the decade." As an immediate step the directors have decided on a vigorous marketing campaign.

A high proportion of farm rents fell due for review this year and satisfactory agreements were reached in most cases.

Britoil tops profit forecast by £48m

FIRST RESULTS of Britoil for the five months to December 31 1982 show that the group has beaten its November prospectus forecast of £209m with a pre-tax profit of £257m in the period.

This achievement was primarily because of higher than anticipated production levels towards the end of the year and the higher sterling value of oil sales. This latter feature resulted from the fall in sterling against the dollar, at a time when the dollar price of oil sold remained unchanged in the final months of the period.

The sterling/dollar exchange rate movement also resulted in a provision of £7m being made for the unrealised currency loss on the company's dollar borrowings, although these do not fall for repayment before 1987.

In line with the forecast made at the time of the offer for sale, a final dividend of 3.75p net per 10p share is recommended.

On a pro forma basis for the 12 months ended December 31 1982, there was a pre-tax profit of £521,000.

The pro forma results are the unaudited Britoil figures for the last five months of 1982, aggregated with the previous seven months results to July 31 1982 (adjusted for notional interest as shown in the prospectus) while the business was carried out by BNOC.

Turnover of Britoil for the five months period amounted to £483. Net profit came out at £42m, after charging tax of £205m an extraordinary debit of £3m—privatisation expenses—and the provision for unrealised currency loss on borrowings. The dividend costs £19m.

Britoil currently operates the Beatrice and Thistle fields and in addition has equity interests in four other fields and one gas field which are currently producing.

During 1982, the group's total share of production was 53.6m barrels of oil (146,900 barrels per day) and 6.02m cubic metres per day of gas.

The group also has equity interests in South Brae which is due on stream this year and in Hutton which is due to produce in late 1984 or early 1985.

Holders of partly paid Letters of Acceptance are due to pay the second instalment of £1.15 per ordinary share by 3 pm on April 6 1983.

Dealings in Letters of Acceptance in partly-paid form will cease on March 30, recommence in fully-paid form the next day and continue until April 18 1983. Thereafter dealings in the company's shares will be in registered form.

See Lex

Leisuretime rights to raise £2.4m

By Christopher Cameron-Jones

Leisuretime International is raising £2.44m by way of a one for four rights issue to fund its expansion into the self-catering and specialised holiday markets.

At the same time the former Old Swan (Harrogate) hotel company now headed by Timothy Aitken, has announced a 540,000 self-financing deal to purchase on an instalment basis the freehold of two holiday island apartment complexes.

The complexes, one in Majorca known as Verdemar, and the other in the Canary Islands called Solarena, are let to an independent tour operator under a five year contract. Total rental income is guaranteed to cover the cost of the purchase, and will total at least £812,000 over the period.

The price of each apartment at Verdemar is equivalent to £7,800 and at Solarena £10,800.

Negotiations are also being held with a number of Scandinavian tour operators to secure bookings for the five months of each year not covered by the rental agreement.

The rights issue, being made at 110p per share, will realise £2.3m after expenses. Yesterday the company's shares closed 1p down at 143p compared with the 64p in the open offer when *Preston Travel was acquired last* October for £1.8m. The new shares will not be entitled to the 0.9p dividend payable for last year.

Earlier this month the company indicated that profits were expected to be well over the £430,000 level.

Rightwise bids for Surmah

Rightwise, whose ultimate holding company is Crosby House Group, has made a bid for the 800,000 shares of *Surmah Valley Tea* which values the company at £1.2m.

The terms are 39 Rightwise new 10p ordinary shares and £80 nominal new 12 per cent loan stock 1983-85 for every 100 Surmah 25p shares.

At the same time Rightwise is to raise £760,000 by the issue of 507,261 ordinary shares at 150p, on the basis of one-for-four, ordinary shares and one for every £4.60 nominal of convertible stock.

Rightwise has also declared a 1p net interim dividend in lieu of the final for the existing ordinary shares in respect of 1982.

Sime Darby Group, which holds 327,000 ordinary shares (40.9 per cent) of Surmah has irrevocably accepted the offer, and the holders of 311,999 shares (39 per cent) have indicated they intend to accept.

The Surmah directors and their advisers are considering the offer and say shareholders should retain their holdings and take no action until they contact them shortly.

Charter wins control as large shareholders sell

BY RAY MAUGHAN

Charter Consolidated acted in dramatic fashion yesterday morning to break an 11 months deadlock in its bid for Anderson Strathclyde, the Glasgow coal cutting equipment group. Charter was able to announce by midday that it had won over 50 per cent of Anderson and that its bid had consequently gone unconditional.

The group "now looks forward to working with the management and employees of Anderson in developing its business to the benefit of all concerned," Charter added.

The 200p per share bid from Charter had reached its first closing date on Thursday and before the market opened yesterday the bidder revealed acceptances in respect of 32.58 per cent of Anderson's equity. The dawn raid by Charter almost three years ago had, however, already yielded 28.4 per cent of the Scottish group's equity.

Charter said at first yesterday that it would extend its offer by three weeks to April 14 but also announced that it would not improve its terms. Under the City Code, this became a binding commitment.

The Scottish company was stunned a few hours later to discover that its long standing shareholder, the Kuwait Investment Office, has sold to Rowe & Pitman, acting on behalf of Charter, in respect of its 10.3 per cent holding.

Arbitrage positions built up by U.S. brokerage houses such as Goldman Sachs, unwound quickly in the face of Charter's unbending stance, much as Anderson had expected. But the decision to sell immediately rather than wait for Anderson's estimate of April-September profits led Anderson's chief executive, Mr Ian Little, to say how "bitterly disappointed" he was and how the board felt "very much let down by our shareholders.

Charter is now poised to meet Sir Monty Finniston, the chairman of Anderson, early on Monday morning before Anderson holds its own board meeting. The bidder has always made it clear that it believes it has the cash, mining expertise, contacts and de-centralised operating philosophy to build Anderson's businesses successfully. But a political row between the Government front bench, the Opposition and the Scottish Office has not subsided and Anderson's shop stewards have yet to pledge themselves to a continuation of the work practices recently agreed with Anderson management.

Lonrho hits at monopolies ruling

BY JOHN MOORE, CITY CORRESPONDENT

MR EDWARD du Cann, deputy chairman of Lonrho, told shareholders at yesterday's annual meeting that the company had not been fairly treated over its takeover plans for House of Fraser, the Harrods stores group.

He said the Monopolies and Mergers Commission, decision in December 1981, that a bid by Lonrho for House of Fraser would not be in the public interest, had "met with universal condemnation."

At best, he continued: "Public interest is an ill-defined concept. Government policy in this field urgently needs clarification."

The decision to refuse Lonrho "*cannot be understood in the* context of last month's decision to allow two separate bids for United Drapery Stores. If the UDS bids are allowed — and they have been — then in fairness Lonrho should not have been prevented from making a bid for Fraser."

He stressed: "Lonrho has not been *fairly* treated in *this* matter. It cannot be allowed to rest. We have a substantial investment in House of Fraser which we are determined to protect and enhance.".

He said that the logic for a demerger of Harrods from House of Fraser was "irrefutable" and condemned the time that it was taking to put the matter to shareholders.

Commenting on reports that Lonrho is having discussions with the British Steel Corporation and Guest Keen & Nettlefolds about the future of Lonrho's engineering steels company in Sheffield, Hadfields, Mr du Cann said: "We are hopeful that the discussions will lead to a rationalisation of the industry."

"As these discussions are in progress at the present time, I would assume that shareholders would not expect me to say more

Fraser demerger report 'fair'

Coopers & Lybrand Associates, the management consultants arm of Coopers & Lybrand International, have concluded that a report prepared internally by a House of Fraser working party on the implications of the demerger of Harrods, the group's main store, deals "with the relevant issues fully and fairly."

The firm had been commissioned by the case committee of the National Association of *Pension Funds* which has been formed to watch the developments in the battle between Lonrho and the Fraser group.

Coopers and Lybrand say in the report that the "extent of our involvement has been conditioned by the following:

● The fact that our brief did not ask us to take a view on the demerger proposal, but only to ensure that the papers dealt full and fairly with the issues involved in the demerger;

● the need to keep a sense of balance in carrying out our work, as clearly there are no definable limits either to the *issues* which *might* be considered relevant to the demerger proposal or to the amount of re-checking that we would undertake of work done by House of Fraser and their professional advisers."

The report reveals that Coopers and Lybrand drew the attention of the House of Fraser working party "to various shortcomings in the original draft as presented. Steps were taken by House of Fraser to deal with those matters and a subsequent set of papers was delivered to us on March 16 which we then reviewed and prepared comments thereon."

The firm adds that a meeting was held with the working party and the chairman on March 18, "as a result of which limited further changes to the drafts were made.

Documents produced by Lonrho on the matter were also reviewed and a meeting took place between Coopers and Lybrand and Mr Paul Spicer and Mr Terry Robinson, Lonrho directors who often represent Lonrho at Fraser board meetings.

The two Lonrho directors "aired a number of their concerns." Coopers and Lybrand states that it has "not attempted to audit the data provided or to verify the reasonableness of the base assumptions, other than where there appears to be inconsistent treatment applied to New Harrods (ie, Harrods standing alone) or the derived new House of Fraser data (based on the Fraser group without Harrods), but have been concerned to ensure that critical assumptions are clearly stated in the papers."

PENTLAND TRUST

Edinburgh based Pentland Investment Trust yesterday advised shareholders to reject the Throgmorton Trust's takeover offer, and announced support from major shareholders for their counter proposal for a new Scottish unit trust management.

The Throgmorton offer earlier this month valued Pentland at £52m, or 298p per share, but Pentland managers say this falls short of net asset value, of 305p.

Pentland said the mixture of equity and fixed interest stock offered for Pentland shares would not give the same geographical spread as the original shares.

Throgmorton invests mainly in the UK, specialising in small companies, and holds part of its assets in a property company, while Pentland has 45 per cent of its assets overseas.

The proposed Scottish unit trust management would be formed from a merger of Pentland, Scottish Ontario Investment Company and the Dominion and General Trust.

Scottish investment trusts in merger

By Clive Wolman

The Edinburgh Investment Trust and the Glasgow-based Scottish United Investors yesterday announced plans to merge and form the largest investment trust in the embattled Scottish sector with net assets of about £320m.

The merger will be effected by an offer of cash and shares from EIT to the shareholders of SUI, which values each SUI share at about 80p, a discount of 11.5 per cent to the trust's net asset value.

Mr Robert Smith, chairman of SUI which has net assets of about £150m, said: "The larger unit will enable the management to take a lead in the Scottish financial community." He added that he personally had taken the initiative in seeking the merger in December as he felt that SUI's three-strong management team was overstretched. But he said he would have been reluctant to have handed over SUI's assets to an English investment trust.

"I would have preferred to find another Glasgow trust," he said. "For a Glaswegian to want to go to Edinburgh is a very odd solution—we're very parochial round here."

Over the last two weeks, Scottish investment trust managers have complained about pressures on them to hand over the assets in their trusts to English-based institutional investors. But Mr Smith said he had come under no such pressure, although 75 per cent of SUI's shares are held by institutions.

The management performance record of SUI over the last five years has put it in the bottom quartile in the ranking of all investment trusts. Figures published yesterday by the Association of Investment Trust Companies show that SUI's total return on net assets since March 1978 was 126 per cent compared with a 154 per cent rise in the FT All-share index. Its share record is similarly disappointing.

By contrast, EIT's total return on net assets over five years has reached 204 per cent, placing it in 10th position in the ranking of 129 UK general trusts. The EIT share price has stood at an average discount of only 15 per cent to the trust's net asset value over the last two years, far less than the sectoral average.

The offer of EIT shares to SUI shareholders assumes a 15 per cent discount of EIT's share price. EIT shares make up 78 per cent of the value of the offer with the remaining 22 per cent coming in the form of cash. SUI shareholders may choose what mixture of cash and equity they wish to take, to the extent that their individual preferences are mutually compatible with the terms of the offer.

EIT's equity faces dilution by the warrants to be issued as a sweetener to existing shareholders on a 1-for-10 basis. These may be exercised over a six-year period from 1984 at a price equal to EIT's net asset value per share when its offer for SUI becomes unconditional.

EIT's share price fell 5p yesterday to 87p while SUI's share price fell 3p to 75p.

Results due next week

THE DECISION of Lucas Industries in November to cut its dividend, after maintaining it through three years of recession, was made "after taking account of present trading conditions." This led analysts to scale down their forecasts for the interim results up to January, which are due on Thursday. Forecasts range from a small loss to pre-tax profits of about £12m, compared with £7m at the interim stage last year. The aerospace division is expected to maintain its profitability, with the losses coming from the UK vehicle equipment division. The costs of the 1,800 redundancies announced in January, primarily in the West Midlands, are expected to be over £5m and should be taken above the line. With analysts holding divergent views as to when the upturn will reach the motor components' industry, the range of year-end pre-tax profit forecasts is wide, from £16m to £28m. They should be sufficient to ensure a maintained interim dividend.

The worldwide over-capacity in newsprint has led to forecasts of declining profits for Bowater Corporation, which announces figures for the year ended December on Wednesday. Destocking and a $30 a tonne drop in the price of North American newsprint in November badly affected Bowater's second half results. The average expectation of around £80m pre-tax profit for 1982, compared with £107m for the previous year, is still seen as optimistic by some analysts. The fall in dollar earnings, which produced three-quarters of Bowater's profits in previous years, was partially offset by favourable exchange rates and lower operating costs. The UK business has been hit by redundancy bills and increased European competition.

Uncertainties about the proportion of launch costs which British Aerospace will write off above the line means analysts have allowed themselves some latitude in predicting the group's *1982 pre-tax profits, to be* announced on Tuesday. But a comfortable increase of around 20 per cent to £85m pre-tax looks likely for the year to December, with an 11 per cent increase in the total net dividend, to 8.7p. The military aircraft and missiles divisions, which together account for 70 per cent of turnover, provide a bulwark against recession in the civil aviation markets. But even this area is seen to be picking up, encouraged by declining interest rates and increasingly fuel-efficient aircraft.

After a 17 per cent interim profit advance, stock market analysts are forecasting a further improvement in Reckitt & Colman's second half performance. The announcement on Tuesday next is expected to reveal that the company's year-end pre-tax profits were in the £73m-£76m (£65.7m) range. The 9.2 per cent hike in the interim payout should be repeated in the final for a net dividend total of 10.7p (9.8p). Rationalisation benefits flowing from UK and European operations gave profits a leg-up last year and a lighter interest charge will have provided an added boost at the pre-tax level. Currency benefits could have added as much as £2.5m to group profits, but there is some un*certainty* as to the conversion rate used.

The 1982 results due on Wednesday from Guardian Royal Exchange are expected to show a 10 per cent rise in pre-tax profits from £89m to around £98m—the first major UK composite to report an increase. This is not surprising since pre-tax profits at the interim stage were only marginally lower, despite the severe winter and the second half has been much more favourable for UK insurers. GRE, like all other composites, will experience a big rise in underwriting losses from £49m to £70m-£75m, but this will be more than covered by a 25 per cent rise in investment income to £155m. Shareholders can look forward to a dividend hike from 17½p to 19p.

The results from Legal and General Group, also due on Wednesday, will include for the first time profits from the U.S. life subsidiary Banner, formerly GELICO. This will inflate the life profits and cut back on investment income since the acquisition was financed from internal funds. The underlying increase of 20 per cent from the main long-term business plus £8m from Banner should more than offset a still weak general insurance operation, including the reinsurance operation through Victory Insurance. Net profits of around £34m against £29m are expected and a dividend increase from 13p to at least 15p is looked for.

Other full year results due in the week leading up to Easter include those of Delta, Freemans and Glynwed International, all on Monday. On Tuesday both IMI and Exco International will be announcing preliminary figures, as will Babcock International on Wednesday.

Company	Announcement due	Dividend (p)* Last year Int.	Last year Final	This year Int.
FINAL DIVIDENDS				
A.C. Cars	Thursday	—	—	—
American Trust	Tuesday	0.7	1.55	1.0
Associated Book Publishers	Wednesday	1.75	4.5	2.0
Babcock International	Wednesday	3.4	3.6	3.4
Bambers Stores	Thursday	0.8	0.9	—
Baaker McConnell	Tuesday	1.375	2.125	1.5
Bowater Corporation	Tuesday	4.25	7.25	4.25
Breedon and Cloud Hill Lime Works	Thursday	2.625	5.0	2.625
Brandon	Wednesday	1.2	2.3	1.2
British Aerospace	Tuesday	3.0	4.8	3.25
Bunzl	Tuesday	4.5	3.5	4.5
Cape Industries	Tuesday	3.9	1.7	1.7
Cartwright (R.) Holdings	Wednesday	1.25	2.75	1.25
Charterhouse Group	Monday	1.925	3.0	1.925
Delta Group	Monday	1.82	1.82	1.82
Dufay Bitumastic	Tuesday	0.5	1.6	1.0
Early's of Witney	Monday	0.316	1.485	0.316
Estates and General Investments	Tuesday	0.6	1.15	0.7
Exco International	Tuesday	—	2.5	2.5
Freemans	Monday	1.9	2.25	1.9
Gibbs and Dandy	Thursday	—	1.4	—
Glynwed International	Monday	2.45	4.8	2.45
Good Relations Group	Monday	—	—	1.4
Grampian Holdings	Thursday	1.5	3.0	1.5
Guardian Royal Exchange Assurance	Wednesday	6.75	10.75	7.0
Home Counties Newspapers	Wednesday	1.75	3.25	1.75
IMI	Tuesday	2.0	2.5	1.5
Kleinwort Benson Lonsdale	Tuesday	3.0	7.0	3.0
Lambert Howarth Group	Wednesday	1.15	3.6	1.5
Legal and General Group	Wednesday	4.0	9.0	4.5
Low and Bonar	Monday	5.0	2.0	2.0
Macfarlane Group (Clansman)	Tuesday	1.36	1.84	1.52
Magnolia Group (Mouldings)	Thursday	0.6	1.7	0.6
Markheath Securities	Monday	—	—	—
Mallins	Tuesday	—	—	—
Miller (Stanley) Holdings	Thursday	—	—	—
Molins	Tuesday	2.2	5.7	2.2
Molynx Holdings	Monday	—	—	—
Planet Group	Wednesday	0.66667	1.33333	0.7
Reckitt and Colman	Tuesday	3.8	6.0	4.15
Reed Executive	Wednesday	0.1	—	0.1
Rotork	Wednesday	1.1	1.35	1.35
Southampton, Isle of Wight and South of England Royal Mail Steam Packet	Monday	2.0	5.5	2.6
Sarrax Sarca Engineering	Wednesday	1.7	3.0	1.7
Spong Holdings	Wednesday	—	—	—
Superdrug Stores	Tuesday	—	—	—
Telfos Holdings	Wednesday	—	—	0.26
Vosper	Tuesday	1.0	3.0	2.0
Watts, Blake, Bearne	Wednesday	1.36	2.22	1.42
Weir Group	Wednesday	0.1	1.75	1.25
Wikes (James)	Wednesday	1.5	2.625	1.5
W.W. Group	Tuesday	1.34	4.55	1.34
Yorkshire Chemicals	Wednesday	—	0.5	—
INTERIM DIVIDENDS				
A.B. Electronic Products Group	Wednesday	2.5	6.0	
Ben Bailey Construction	Wednesday	0.25	0.55	
Castlefield (Klang) Rubber Estate	Wednesday	4.0	10.00	
Lucas Industries	Thursday	2.5	8.0	
LWT (Holdings)	Tuesday	4.4942	6.5878	
Newman Tonks Group	Monday	1.65	3.45	
Park Place Investments	Tuesday	1.75	3.25	
Peel Holdings	Monday	1.0	3.0	
Tyzack (W.), Sons & Turner	Thursday	0.5	1.0	
INTERIM FIGURES				
Bumdane Investments	Thursday			
Charterhall	Thursday			
Jayplant	Thursday			
John Edward Crowther (Holdings)	Monday			
Standard Industrial Group	Wednesday			
Stothert and Pitt	Wednesday			
Town Centre Securities	Thursday			
Unigroup	Thursday			

* Dividends are shown net pence per share and adjusted for any inter-vening scrip issue.

SUMMARY OF THE WEEK'S COMPANY NEWS

Bids and deals

The battle for control of UDS escalated on Thursday when **Bassishaw Investments**, the consortium headed by Mr Gerald Ronson of Heron Corporation, raised its offer for UDS from 114p to 130p per share cash and stated that this was its final offer. **Hanson Trust** replied by adding 20p per share cash to its existing five-for-eight share-exchange offer. The new Hanson terms are the fifth offer for UDS since Bassishaw's original 100p per share bid in January.

Cable and Wireless is paying £153m for a 34.8 per cent stake in **Hong Kong Telephone Company**, the colony's publicly-quoted domestic telephone utility. The stake is being acquired from Hongkong Land, the property group. C and W is issuing 30m new shares and paying the balance of approximately £24m in cash. The new shares were placed in London at 396p and dealings are expected to start next Wednesday. The issue of new shares has diluted the Government's holding in Cable and Wireless from 50 per cent and one share to 45 per cent.

On Thursday, **Waring and Gillow**, the loss-making furniture and carpet retailer, announced that it had been "approached about the future of the company." Harris Queensway has been suggested as a prospective bidder, but the Waring board stressed that "they do not know" if the approach would lead to a bid.

BET Group, the electronics, leisure and transport company, plans to buy the 36.1 per cent of **Rediffusion** it does not already own. BET sees the move as the first of "perhaps one or two fairly major moves towards restructuring the company."

Wolverhampton and Dudley Breweries has upped its bid for neighbouring **Davenports Brewery** by £2.5m to £25.5m. The former is now offering three of its own shares plus 625p cash for every five Davenports with a cash alternative of 290p per share, but the offers have again been rejected.

Cadbury Schweppes is planning a major expansion of its Australian operations with a joint A$40.8m (£23.8m) bid for **Allen's Confectionery**, the largest non-chocolate sweet maker in Australia. Cadbury's Australian subsidiary and Nelson Tobacco, a privately-owned Australian group, have got together to make the offer. Cadburys Australia will take on Allen's manufacturing operations, while Nelson is interested in the distribution side.

S. Pearson and Son, whose interests include the Financial Times—and a group of private investors, have agreed to acquire **Cedar Point**, a major U.S. summer resort and amusement park concern in a deal which values the latter at $144m. Pearson already owns about 25 per cent of Cedar Point and will participate through its principal U.S. holding company, S. Pearson Inc.

Barker and Dobson, the confectionery and retailing group, is buying privately-owned **Centre News**, which has 26 shops around Oxford, for £3.88m to be satisfied by the issue of 47.46m new *shares to the owners of Centre News. There is* also a £83,031 cash adjustment due to Centre News.

McCorquodale, specialist printers, plans to buy a 45 per cent stake in **Cheque Printers and Encoders** of Highett, Victoria, a leading Australian security document printer, for A$10m (£5.7m) cash.

Ensearch Corporation, the U.S. engineering group, confirmed its agreed takeover of **Humphreys & Glasgow**, the privately-owend British process engineering group. Ensearch is expected to pay about £10m, and the acquisition forms part of the group's expansion plans in Europe.

Company bid for	Value of bid per share**	Market price**	Price before bid	Value of bid £m's**	Bidder
Prices in pence unless otherwise indicated.					
Aberthaw Cement	707§	640	420	20.33	Blue Circle
Alpine Hldgs	148	137	97	17.05	Kean & Scott
Andrsn Strthclyde	200*	200	179	94.83	Charter Cons
Anglo Met	90 ●	90	80	5.31	Atlantic Met
Austin (E.)	60*	61	50	2.54	Caparo Inds
Austin (James)	77*§	78	64	3.46	Trumons Steel
Bell & Sime	160§*	160	136	0.45	Fleming (J.)
Bilton (P.)	258§§§	282	262	96.7	Trust Sec
Cope Allman	60*§	61	58	23.7	Dowable
Crest Int	14	11½	13	4.95	Kwik-Fit
Davenport Brwy	295†§§§	298	246	24.0	Wolv Dudley
Dollands	37½*§	95	70	0.15	A. P. Ward & N. Fetterman
Edin & Gen. Ins	28½	22	13	6.21	Mills & Allen Intl
Heal	£38*	£38	£16	4.80	Habitat Mthreare
Highgate Optical	23*	55	35	0.47	Exent
Jeavons Eng	71	72	62	3.98	Newmon-Tooks
Rowan & Boden¶¶	60*	59	40	2.42	Firth (G. M.)
Saxon Oil	98‡§	100	66	14.8	Clyde Pet
Second City Prop	72§	73½	60	16.96	Beazer (C. H.)
Sunrie	65*§	68	70	0.95	Afcor Invs
Surmah Valley T.	148‡‡	150	123	1.18	Rightwise
Sykes (Henry)	37*	36	25	3.16	Alco Standard
UDS	130*	132	89	247.9	Bassishaw Invs
UDS	136§§	132	110	259.3	Hanson Trust

* All cash offer. † Cash alternative. ‡ Partial bid. § For capital not already held. ** Based on March 25 1983. †† At suspension. ‡‡ Estimated. §§ Shares and cash. ¶¶ Unconditional. ● Loan stock alternative.

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)		Interim dividends* per share (p)	
ADP	Dec	2,750†	(1,010)§	1.0	(0.75)
A&G Security	Jan	346	(239)	0.83	(0.75)
Armstrong Eqpt	Dec	1,230L	(1,310)L	—	(0.55)
Baltic Leasing	Jan	877	(148)	—	(—)
Beazer (C. H.)	Dec	2,280	(1,650)	3.0	(2.7)
Bell (Arthur)	Dec	17,563	(14,878)	2.0	(1.7)
Blue Bird Confect	Jan	106	(201)	1.45	(1.45)
Bridport Gundry	Jan	303	(36)	1.1	(0.99)
Burton Group	Feb	15,080	(14,170)	3.1	(2.5)
Fairview Estates	Dec	3,110	(2,824)	1.46	(1.33)
Goodman Bros.	Oct	88	(183)L	—	(—)
Maynards	Dec	1,390	(1,360)	3.13	(3.13)
Mucklow (A&J)	Dec	2,410	(2,330)	2.1	(2.0)
Paterson Zochonis	Nov	12,947	(13,116)	1.33	(1.33)
Peachey Property	Dec	3,000	(2,668)	2.25	(2.25)
Preessac Hldgs	Jan	212	(162)	0.35	(0.35)
Reliable Props.	Dec	339	(274)	1.25	(1.25)
Ricardo Engnrs.	Dec	837	(811)	3.5	(3.5)
Saga Holidays	Dec	415	(1,450)	1.2	(1.2)
Sirdar	Jan	3,370	(2,930)	1.85	(1.6)
Staffs Potteries	Dec	172L	(294)L	—	(—)
Strong & Fisher	Jan	826L	(530)	—	(1.67)
Walker (James)	Oct	808L	(360)L	0.5	(1.0)
Waring & Gillow	Sept	777L	(1,000)	0.75	(1.5)

(Figures in parentheses are for the corresponding period.)
* Dividends are shown net except where otherwise stated. † After doubtful debt provisions, tax and a transfer to inner reserves. ‡ Profit is after tax and revaluation of assets. ¶ For nine months. Profit is after tax. § Net income.

Offers for sale, placings and introductions

Datastream offer for sale by tender of 1.894m ordinary shares at 180p per share.
I. D. and S. Rivlin is applying for a place on the Unlisted Securities Market.
Yorkgreen Investments is placing 4.7m new ordinary 10p shares at 36p each.

Scrip Issues

Arthur Bell and Sons: Three for five.
Smith and Nephew Associated Companies: One for eight.
Watmoughs (Holdings): One for five.

PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)		Earnings* per share (p)		Dividends* per share (p)	
Appleyard Group	Dec	1,410L	(1,440)L	—	(—)	—	(0.1)
BBA Group	Dec	4,550	(3,560)	2.1	(1.5)	1.74	(1.74)
Bemrose Corp	Dec	3,060	(2,370)	26.7	(21.0)	10.0	(4.0)
Beslobell	Dec	8,710	(8,470)	24.9	(28.1)	13.5	(13.0)
BICC	Dec	98,600	(101,900)	21.1	(25.2)	10.54	(10.37)
Black & Edgington	Dec	1,100	(1,480)L	3.6	(—)	—	(0.1)
Brent Chemicals	Dec	3,280	(3,620)	4.5	(6.1)	2.5	(2.3)
Britannia Arrow	Dec	6,030	(4,170)	4.5	(4.0)	1.7	(1.5)
Britannic Assur.	Dec	3,818	(3,591)	19.9	(18.7)	18.55	(16.1)
Caledonian Avto.	Oct	1,540	(6,200)L	—	(—)	—	(—)
Charthshe Petrlm	Dec	10,240	(10,410)	4.1	(3.1)	0.75	(0.75)
Church & Co.	Dec	1,860	(1,560)	22.7	(20.2)	9.5	(8.5)
Clay (Richard)	Dec	971	(954)L	5.1	(—)	2.0	(1.0)
County Bank	Dec	10,200	(8,200)	—	(—)	—	(—)
DRG	Dec	12,500	(15,500)	6.0	(7.2)	6.0	(6.0)
Eagle Star	Dec	68,000	(73,800)	25.0	(27.1)	17.0	(15.0)
Equity, Law Life	Dec	3,987‡	(2,902)‡	19.9	(14.5)	18.5	(15.0)
Friedland Doggart	Dec	1,890	(1,470)	17.0	(13.5)	5.6	(5.1)
Frizzell Group	Dec	3,440	(3,160)	9.7	(8.7)	3.0	(2.75)
Garton Engn	Dec	28L	(334)L	—	(—)	—	(—)
Hepworth Ceramic	Dec	24,610	(24,150)	9.8	(10.0)	5.6	(5.25)
Jones & Shipman	Dec	1,080L	(638)	—	(5.8)	0.9	(1.8)
Laing Properties	Dec	9,700	(8,700)	12.9	(8.8)	5.0	(4.5)
Lyon and Lyon	Dec	209	(354)	5.9	(9.2)	5.0	(6.0)
Manders Hldgs.	Dec	3,500	(4,020)	15.7	(15.6)	6.0	(5.4)
Matthews (Bernrd)	Jan	5,700	(1,620)	35.7	(10.1)	5.25	(4.38)
Metal Closures	Dec	5,950	(6,120)	16.2	(18.3)	5.7	(5.7)
Memec	Dec	1,970	(1,570)	9.1	(7.7)	3.3	(3.0)
Montford Knit	Dec	346L	(707)L	—	(—)	—	(—)
Morgan Grenfell	Dec	13,140¶	(10,100)¶	—	(—)	—	(—)
NMW Computers	Dec	801	(545)	10.5	(9.5)	4.0	(2.9)
Norfolk Capital	Sept	398L	(29)L	—	(—)	0.2	(0.5)
Ocean Transport	Dec	15,900	(33,400)	—	(13.8)	6.65	(9.0)
Oliver (George)	Dec	1,430	(1,310)	27.9	(18.4)	6.0	(5.21)
Owners Abroad	Dec	2,320	(1,570)	2.2	(—)	0.5	(—)
Pritchard Group	Jan	10,228	(6,110)	7.7	(5.8)	3.0	(2.5)
Prudential Corp.	Dec	55,600	(43,200)	18.6	(14.5)	15.0	(12.5)
Sharpe & Fisher	Dec	1,290	(1,160)	5.5	(4.8)	2.0	(1.8)
Silkolene Lubs	Dec	1,150	(954)	17.2	(15.1)	7.0	(6.0)
Slough Estates	Dec	16,170	(13,470)	7.0	(6.7)	3.33	(2.66)
Smith & Nephew	Dec	34,410	(29,130)	10.2	(8.8)	4.13	(3.56)
Squirrel Horn	Dec	243	(460)	4.0	(5.2)	1.81	(1.81)
Stag Furniture	Dec	1,017	(1,344)	7.8	(10.4)	5.0	(3.0)
StanChart Bank	Dec	242,000	(260,400)	88.0	(104.1)	27.0	(24.67)
Tricentrol	Dec	18,300§	(15,200)§	25.5	(23.8)	8.4	(8.4)
Utd. Newspapers	Dec	5,440	(3,640)	21.7	(14.8)	12.0	(12.0)
Watmoughs	Dec	1,820	(1,530)	26.3	(22.1)	6.25	(5.45)
Waverley Camrn	Dec	74	(141)	6.5	(12.1)	3.75	(3.75)
Wiljay	Dec	190	(73)L	8.6	(—)	2.41	(2.41)
Willis Faber	Dec	30,780	(27,180)	37.9	(32.3)	17.5	(15.0)
Woodward (H.)	Sept	212	(181)	7.5	(7.8)	2.2	(2.2)

Rights Issues

Bifurcated Engineering rights issue of 1,047,225 8 per cent convertible cumulative redeemable preference shares 1991-93 of £1. The issue is on the basis of one convertible share at par for every 10 ordinary 25p shares.
Comben Group is making a two for five rights issue at 45p to raise £7.352m.
Evans & Owen is raising £120,501 via a one for seven rights issue at 140p per share.
Hampton Gold Mining Areas is raising £16.998m by way of a three for four rights issue at 162p per share.
John Mowlem is raising £9.944m by way of a rights issue on the basis of two for seven at 175p.
Wellman Engineering has placed £2.5m of 10 per cent cumulative irredeemable convertible preference £1 shares. Existing shareholders will have the right to subscribe for the new shares on the basis of one for every five ordinary shares.

CONTRACTS

£25m oil terminal work

BP Petroleum Development, operators of the gas and oil terminal at Sullom Voe, has awarded a five-year contract to CAPPER NEILL INTERNATIONAL, contracting group of Capper Neill, for the maintenance of plant and equipment used for processing, storage and shipment. It is understood the contract is worth about £25m.

*

BALFOUR BEATTY CONSTRUCTION has been awarded a contract valued at £585,000 by the West Yorkshire Passenger Transport Board for the construction of a building and paved areas at the Pontefract bus station. Work has started for completion in 10 months. Balfour Beatty is part of the BICC Group.

*

A £1.4m contract for the supply and fixing of marbles and granite wall claddings and floors in the new extension to the Ministry of Finance building in Doha Qatar, has been awarded to A. QUILIGOTTI & CO, Stockport.

*

A former time clock factory in Bath is to become an army drill hall as part of a contract worth nearly £1.2m awarded to JOHN LAING CONSTRUCTION to provide a new TA Centre. The contract for the TAVR Association for Western Wessex calls for alterations and structural strengthening to the former Albion Works, a four-storey stone building at Upper Bristol Road, Bath, to form a new drill hall. An adjacent four-storey Listed semi-detached house is to be converted to form a new battalion headquarters, and a new garage and workshop will be constructed. Work on the 55-week contract has started.

*

CAPITAL CHAPMAN GROUP has won a building contract worth more than £500,000 for a Friends Meeting House and adjacent flats, at Reigate, Surrey. The clients are Friends Meeting House Project, Reigate, and Reigate Quaker Housing Association. Work is due to start in April, for completion in summer of 1984.

*

Y. J. LOVELL (NORTHERN), part of the Lovell Construction Group, has won a £4.3m phased contract for an enclosed shopping centre in Buxton, Derbyshire. The client is Amalgamated Developers (Buxton) and the complete project involves the construction of two stores, 24 shopping units and an extension to the existing Marks & Spencer store. Work also involves diversion of the River Wye and the building of a service road and river bridge to link with a projected relief road. It will form one boundary to the site between Bridge Street and Station Approach. The first phase, worth £530,000, concerns the Marks & Spencer extension. This will add 6,500 sq ft in the sales area, more than doubling the present space, all on the ground floor. The existing stockroom on the first floor is to be extended from 3,900 sq ft to 7,900 sq ft.

The second phase of the scheme comprises an enclosed mall, alterations to the existing Royal Exchange building and 116 metres of reinforced concrete retaining wall 5 metres high for the relief road. The mall design features a barrel-vaulted roof with aluminium glazing bars and polycarbonate glazing.

Renovating escalators at Holborn

FARROW CONSTRUCTION SPECIAL WORKS, part of the Lovell Construction Group, has won the contract for building works in connection with replacing some of the deepest escalators in the country. The project, worth £473,000, is at Holborn Station, one of the busiest on the London Transport system, where seven escalators are to be replaced in four phases, the work scheduled over 5½ years. London Transport estimates that some 17m passengers use these escalators each year. Farrow work will include new supports for the replacement frames, ducting for cables and relaying some floors while Otis engineers replace the escalators, which at Holborn are in two shafts. The upper flight of four down to the Central Line has a maximum vertical rise of 23 metres, the second longest on the Underground system. The lower flight of three serves the Piccadilly Line. Work will be carried out simultaneously on one escalator in the upper flight and on one escalator in the lower flight. The escalator in the upper flight will be partly removed and then the track-way used as a runway to transport materials between the surface and the escalator in the lower flight. Once all the heavy materials have been delivered to the lower escalator, the removal of the upper escalator will be completed and the new equipment installed. The escalators were installed in 1933 and one was removed during the war when new machinery was installed. The work forms part of major modernisation planned for the station.

A contract for £461,000 work at Barclays Bank, Hoe Street, Walthamstow, has been won by Farrow. The bank at present occupies a corner site and is taking over offices next door behind which Farrow is to add a two-storey extension. Both bank and adjacent offices are Victorian structures. The work is in three phases over 52 weeks beginning with the extension and refurbishment of the offices.

LADBROKE INDEX
based on FT Index
654-659 (unch.)
Tel: 01493 5261

LONDON TRADED OPTIONS

Option		Calls April	Calls July	Calls Oct.	Puts April	Puts July	Puts Oct.
BP (USP 320)	260	64	—	—	1	—	—
"	280	44	—	—	2	—	—
"	300	24	40	46	4	12	18
"	330	4	19	24	15	32	28
"	360	1	2	—	42	44	—
CGF (USP 492)	390	—	113	—	1½	4	—
"	420	80	87	—	2	9	—
"	460	44	60	73	7	20	35
"	500	17	40	52	24	32	42
"	550	5	20	30	60	64	70
"	600	1	10	14	—	112	—
CTD (USP 92)	70	23	25	27	1	2	3½
"	80	14	15	15	1	4	6
"	90	5	5	11	2	5	8
"	100	1½	4	5½	9	13	15
CUA (USP 134)	120	15	20	24	1	3	4
"	130	7	15	18	n	7	11
"	140	2½	9	11	12	16	12
"	160	1	2	n	29	31	35
GEC (USP 204)	180	26	34	42	1	3	8
"	197	11	—	—	5	—	—
"	200	—	18	27	—	11	15
"	217	4	—	—	18	—	—
"	220	—	10	17	—	25	30
"	237	1	—	—	35	—	—
"	240	—	n	—	—	40	—
"	260	0½	4	—	58	58	—
GM (USP 353)	240	—	—	—	1	—	—
"	260	74	—	—	1	—	—
"	280	54	55	—	1	3	—
"	300	34	45	—	9	5	—
"	330	13	24	30	7	14	16
"	360	3	13	12	22	33	36
"	390	1	3	10	—	62	66
ICI (USP 398)	280	—	—	—	1	—	—
"	300	102	110	—	1	—	—
"	330	72	80	—	1	3	—
"	360	49	50	50	2	2	10
"	390	19	34	44	3	13	18
"	420	4	17	24	24	30	34
LS (USP 315)	240	—	—	—	1	—	—
"	260	59	64	69	1	3	—
"	280	39	44	49	2	5	9
"	300	19	28	35	4	10	13
"	330	5	12	19	17	23	27
M & S (USP 194)	160	37	—	—	1½	—	—
"	180	10	27	33	3	n	2
"	200	6	12	22	0	15	19
"	220	2	e	10	27	28	31
"	240	1	2	—	46	47	—
SHL (USP 444)	360	88	—	—	—	—	—
"	390	58	58	74	1½	3	6
"	420	29	42	50	4	11	16
"	460	6	16	26	22	30	36
Option		**Calls May**	**Calls Aug.**	**Calls Nov.**	**Puts May**	**Puts Aug.**	**Puts Nov.**
BBL (USP 468)	350	115	125	—	1	2	—
"	390	85	25	—	2	3	—
"	420	65	65	78	3	8	13
"	460	23	33	48	14	22	33
"	500	6	18	33	40	45	56
IMP (USP 110)	90	22	—	—	1	—	—
"	100	14	—	—	2	—	—
"	110	7	12	14	4½	n	6
"	120	4	6	8	11	12	14
"	130	1½	3	5	21	21	22
LMO (USP 227)	220	30	40	47	14	20	27
"	240	20	30	37	23	30	37
"	260	7	16	30	37	42	47
"	280	4	10	18	57	60	65
"	300	1½	5	—	77	80	—
"	330	1	3	—	107	110	—
"	360	1	—	—	137	—	—
"	390	1	—	—	167	—	—
LNR (USP 84)	80	6	10	12	3	5	8½
"	90	3	5	7	10	12	13
"	100	0¾	2½	3½	10	21	22
P & O (USP 144)	100	46	46	—	0½	1	—
"	110	36	36	—	1	2	—
"	120	26	26	27	1	4	7
"	130	15	19	21	2	7	10
"	140	9	12	15	5	12	15
"	160	2	5	8	19	25	27
RCL (USP 452)	420	30	45	55	14	22	27
"	460	10	20	30	35	42	50
"	500	4	10	17	79	74	76
"	550	2	3	—	122	128	—
"	600	1	2	—	172	172	—
"	650	1	—	—	222	—	—
RTZ (USP 519)	390	132	—	—	—	—	—
"	420	102	103	—	2	—	—
"	460	65	78	—	6	13	—
"	500	38	50	65	12	33	38
"	550	13	24	38	47	54	64
VRF (USP 95)	50	—	—	—	1	—	—
"	55	—	—	—	1	—	—
"	60	—	—	—	1	—	—
"	70	—	—	—	1	—	—
"	80	—	—	—	3½	—	—
"	90	10½	15	17	6½	2	11½
"	100	6	10	12½	12	14½	15
"	110	3	7	9½	17½	19½	21½
"	120	2	5	3½	25½	23½	23½
"	130	1	3	4½	35½	—	38½
"	140	0¾	1½	3	—	—	—

Mar. 28 Total Contracts 1,721 Calls 1,036 Puts 745

BASE LENDING RATES

A.B.N. Bank	10½%	■ Guinness Mahon	10½%
Al Baraka International	10½%	■ Hambros Bank	10½%
Allied Irish Bank	10½%	Heritable & Gen. Trust	10½%
Amro Bank	10½%	■ Hill Samuel	§10½%
Henry Ansbacher	10½%	C. Hoare & Co.	†10½%
Arbuthnot Latham	10½%	Hongkong & Shanghai	10½%
Armco Trust Ltd.	10½%	Kingsnorth Trust Ltd.	12 %
Associates Cap. Corp.	11 %	Knowsley & Co. Ltd.	11 %
Banco de Bilbao	10½%	Lloyds Bank	10½%
Bank Hapoalim BM	10½%	Mallinhall Limited	10½%
BCCI	10½%	Edward Manson & Co.	12 %
Bank of Ireland	10½%	Midland Bank	10½%
Bank Leumi (UK) plc	10½%	■ Morgan Grenfell	10½%
Bank of Cyprus	10½%	National Westminster	10½%
Bank Street Sec. Ltd.	10½%	Norwich Gen. Tst	10½%
Banque Belge Ltd.	10½%	P. S. Refson & Co.	10½%
Banque du Rhone	11½%	Royal Trust Co. Canada	10½%
Barclays Bank	10½%	Roxburghe Guarantee	11 %
Beneficial Trust Ltd.	11½%	Slavenburg's Bank	10½%
Bremar Holdings Ltd.	11½%	Standard Chartered	‖10½%
Brit. Bank of Mid. East	10½%	Trade Dev. Bank	10½%
■ Brown Shipley	11 %	Trustee Savings Bank	10½%
Canada Perm't Trust	11 %	TCB	10½%
Castle Court Trust Ltd.	11 %	United Bank of Kuwait	10½%
Cayzer Ltd.	10½%	Volkskas Intl. Ltd.	10½%
Cedar Holdings	11 %	Westpac Banking Corp.	10½%
■ Charterhouse Japhet	10½%	Whiteaway Laidlaw	11 %
Choulartons	11½%	Williams & Glyn's	10½%
Citibank Savings	¶10 %	Wintrust Secs. Ltd.	10½%
Clydesdale Bank	10½%	Yorkshire Bank	10½%
C. E. Coates	11 %		
Comm. Bk. of N. East	10½%		
Consolidated Credits	11 %		
Co-operative Bank	*10½%		
The Cyprus Popular Bk	10½%		
Duncan Lawrie	10½%		
E. T. Trust	11½%		
Exeter Trust Ltd.	11½%		
First Nat. Fin. Corp.	13½%		
First Nat. Secs. Ltd.	13 %		
Robert Fraser	11½%		
Grindlays Bank	‡10½%		

■ Members of the Accepting Houses Committee.
* 7-day deposits 7.5%; 1-month 7.75%. Short-term £8,000/12-months 10.1%.
† 7-day deposits on sums of: under £10,000 7½%, £10,000 up to £50,000 8¼%, £50,000 and over 9%.
‡ Call deposits £1,000 and over 7½%.
‖ 21-day deposits over £1,000 8½%.
§ Demand deposits 7½%.
¶ Mortgage base rate.

M. J. H. Nightingale & Co. Ltd.

27/28 Lovat Lane London EC3R 8EB Telephone 01-621 1212

1982-83 High	Low	Company	Price	Change	Gross div. (p)	Yield %	P/E Actual	P/E Fully taxed
142	120	Ass. Brit. Ind. Ord.	137xd	—	6.4	4.7	8.0	10.5
158	117	Ass. Brit. Ind. CULS	153	—	10.0	6.5	—	—
74	57	Airsprung Group	63	—	5.1	8.7	18.0	18.0
46	32	Armitage & Rhodes	32	—	4.3	13.4	3.8	5.3
310	197	Bardon Hill	310	+3	11.4	3.7	13.0	15.4
135	100	CCL 11pc Conv. Pref.	133	—	15.7	11.8	—	—
270	210	Cindico Group	210	—	17.6	2.4	—	—
98	52	Deborah Services	52	—	6.0	11.5	3.4	8.3
89	77	Frank Horsell	89	+1½	—	—	7.4	7.9
87½	75½	Frank Horsell Pr Ord 87	87½	+1½	8.7	9.9	9.7	10.4
83	61	Frederick Parker	63xd	—	7.1	11.3	3.8	6.3
55	34	George Blair	34	—	—	—	5.2	12.3
100	74	Ind. Precision Castings	77xd	−1	7.3	9.5	9.9	12.4
158	100	Isis Conv. Pref.	157	—	15.7	10.0	—	—
143	94	Jackson Group	143	—	7.5	5.2	4.4	9.1
198	111	James Burrough	198	—	9.8	4.8	14.6	16.1
280	150	Robert Jenkins	150	—	20.0	13.3	1.6	23.8
83	54	Scruttons "A"	71	−1	5.7	8.0	8.2	11.1
183	112	Torday & Carlisle	112	−1	11.4	10.2	5.0	6.5
29	21	Unilock Holdings	26	—	0.46	1.8	—	—
85	66	Walter Alexander	66	—	6.4	2.7	4.7	8.8
267	214	W. S. Yeates	267	+2	17.1	6.4	4.1	8.5

Prices now available on Prestel page 48146.

Britoil

PRELIMINARY RESULTS

	5 months ended 31.12.82	Pro Forma 12 months ended 31.12.82
	£m	£m
Turnover	483	1088
Profit on ordinary activities before taxation	257	521
Taxation on profit on ordinary activities	(205)	(412)
Profit on ordinary activities after taxation	52	109
Provision for unrealised currency loss on borrowings	(7)	(7)
Profit before extraordinary item	45	102
Extraordinary item (Privatisation expenses)	(3)	(3)
Profit for financial period	42	99
Dividend proposed (3.75p per share)	(19)	n/a
Amount set aside to reserves	23	n/a
Earnings per share	9.06p	n/a

Note: The proforma twelve months' results are the unaudited results of the business carried on by Britoil in the last five months of 1982 aggregated with the results of the seven months to 31st July, 1982 (adjusted for notional interest as shown in the Offer for Sale Prospectus) whilst the business was carried out by The British National Oil Corporation.

Results

The profit on ordinary activities before taxation for the five months of £257 million exceeds the £209 million forecast in the Offer for Sale Prospectus primarily because of higher than anticipated production levels towards the end of the year and the higher sterling value of oil sales. This latter feature resulted from the fall in the value of sterling against the U.S. dollar at a time when the dollar price of oil sold remained unchanged in the final months of the period. The sterling/U.S. dollar exchange rate movement also results in a provision of £7 million being made for the unrealised currency loss on the Company's U.S. dollar borrowings although these do not fall for repayment before 1987.

Final Dividend

In line with the forecast made in the Offer for Sale Prospectus, **the Directors are recommending a final dividend in respect of the five months to 31st December, 1982 of 3.75p per ordinary share,** for payment on 27th June, 1983 to shareholders on the register of members as at the close of business on 27th May, 1983.

Second Instalment and Stock Exchange Dealings

Holders of partly-paid Letters of Acceptance are due to pay the second instalment of £1.15 per ordinary share by 3.00 p.m. on 6th April, 1983 to the receiving banker on behalf of the Secretary of State in accordance with the instructions set out in the Letters of Acceptance.

Dealings on The Stock Exchange in Letters of Acceptance in partly-paid form will cease on Wednesday, 30th March, 1983, recommence in fully-paid form on Thursday, 31st March, 1983 and continue until Monday, 18th April, 1983. Thereafter, dealings on The Stock Exchange in the Company's shares will be in registered form. The last date for registration of renounced Letters of Acceptance is 22nd April, 1983. Definitive share certificates will be despatched to registered shareholders on 31st May, 1983.

The dividend record date of 27th May, 1983 has been chosen to enable the registration of Letters of Acceptance to take place before payment of the final dividend.

Report and Accounts

The Report and Accounts will be despatched at the beginning of June together with the Notice of Annual General Meeting, which is to be held at 2.30 p.m. on Friday, 24th June, 1983, in Glasgow.

In view of the unusually long period between this announcement and the despatch of the Report and Accounts to registered shareholders, copies of the Accounts will be available from 15th April, 1983, either by writing to the Secretary, Britoil plc, 150 St. Vincent Street, Glasgow G2 5LJ or by collection from the principal offices of the Company.

WORLD STOCK MARKETS

Early drifting on Wall Street

PRICES DRIFTED on Wall Street yesterday, when investors were roluctant to commit themselves furthor to the market at this poiot for fear that there might by a technical correction to the recent gains.

After reaching a new closing record oo Thursday the Dow Jones Industrial Avorage was off 1.94 to 1143.96 by 1 pm yesterday and reduced its rise on the week to 26.22. Tho NYSE All Common Indox, at $88.13, shed 7 cents on the day but was still up $1.82 on the week. Advances led decIloes by a seven-to-six majority in a volume of 57.65m Shares.

Investors could olso be waiting for the weekly Money Supply report, released after the close. Estimotes of M-1 Money growth for the week eoded March 16 range from down $2bn to up $1.1bn. Last week it rose $4.8bn.

Medical Care stocks rallied following passaga of Social Security Logislotion by the House of Representatives Thursdoy night. The Bill contains provisions that would lead to Nationol Modical Rotes in three years odjusted for hospital wage levels.

Notional Medical Eoterprises rose $2 to $36½, Hospitol Corp. of America $1¾ to $49¾, Lifemerk $1¾ to $41½ and Amorican Medical International $2 to $31¾. Hnmana were liftod $2 to $37.

Colonial Peno, which insures retirees, jumped $2¾ to $24 in beavy trading.

Southland Corp moved up $2 to $28¾ in heavy trading. Earlier in the week the compony agreed to buy the rofining and markoting operations and certain gasolina assets of Cilies Services from Occidental Petroleum.

THE AMERICAN SE Market Value Index gained 1.42 to 386.42, making a rise of 5.29 on the week. Volume 6.13m shares.

Canada

Slightly higher ot midsession, with the Toronto Composito Index up 5.8 at 2128.0.

Closing prices for North America were not availoblo for this edition.

The Gold Share Index rose 32.6 to 3756.6, Motals and Minerals 2.5 to 2055.8, Banks 2.66 to 462.14 and Utilities 1.37 to 274.46.

Inco, up $¼ at $16¼, is offering 6m Common shares on U.S. and Internatiooal morkets at U.S.$12.875 ooch.

Germany

A renewed rally, focusing oo Blue Chips, sent prices surging ahead in hectic troding. The Commerzbank Index roso to a further 13-year high of 901.7, up 6.7 on the doy.

Deolsche Bank advonced DM 10 to DM 325 on rumours it will onnounce a dividend increase next week.

Siemens, planning a ooe-for-20 Rights issue at only DM 100, closod at DM 324.70, off DM 1.30 after poying o DM 8 dividend yesterday.

Bayernhypo were lifted DM 19.5 to DM 320 on a raised dividend, while Bayernvereln put oo DM 4 to DM 347, olso on an increased payout.

But Commerzbank easod DM 1.8 to DM 161.7—it omitted its dividend for the third yeor running. Dresdner Bank, holding its dividend at DM 4, slipped 50 cents to DM 171.

Thyssen shed DM 1.70 to DM 83.50 as the Steel Industry continues to debote restructuring plans.

Domestic Bonds eoded slighily beller although Public issues were generally mixed, with goins of up to DM 0.30 and declines of DM 0.20.

Deutsche Bundosbank sold DM 2.2m worth of Public slock.

Mark-denominated Eurobonds finished little chongad.

Paris

Sharply higher in activo trading as the market welcomed the Government's new austerity pockage. Advances led declines by 125 to 46 in the French section.

Although exact details of the Government's plan woren't known until later Friday, rumours and Press reports have heen circulating in the market for days.

Many feel that Government efforts to encourage savings will lead to an increase in the ability of Baoks to make investment loans. Investors also welcomed official moves to restrain the Budget deficit and close the deficit in tho Social Security System and Unemployment Fund.

Foods, Constructions, Engineerings, Electricals and Metals and Chemicols gained. Banks and Oils were easier.

Foreign issues were generally woaker. Americans, Germons, Internatiooal Oils and Gold Mines eased.

Switzerland

Domestic shares continued higher in active trading, with Investors encouraged by recent favourable Corporate results.

Sandoz plans to raise its dividend to Fr 72.50 from Fr 65, boosted sentiment. Sandoz Bearer added Fr 150 at 5,375, whilo other Chemicals and some Blue Chips rose in sympathy.

Among Banks, UBS were ogain actively bought, with the Bearer up Fr 30 at 3,330.

Sika Finanz "B" advanced Fr 150 at 3,050 on slock shortage.

Swiss Bonds quietly steady in lower volume.

In Foreign shares, Dollar slocks were mixed, with Oils depressed by some profit taking. Dutch Internationals ended mostly firm. Germans mixed.

Tokyo

Blue Chips and Drugs led a fall in fairly active trading, and the market average lost 37.31 to 8,302.77.

Caution about the recent advance to record levels prompted profit-taking and other selling over a broad front.

Drugs, among the leaders of the recent advaoce, fell heavily, depressing morket sentiment, and were followed by Blue Chips, Motors, Eelectricals, Steels and Precision Instruments.

Heavy Foreign selling of Shionogi shares, off Y45 to 805, followed news in a U.S. Medical Journal saying that a drug developed by Shionogi and sold abroad by Eli Lilly of the U.S. had caused serious bleeding in some patients.

Steels were slightly lower.

A Nippon Steel official said profits for the period ending March 31 "don't look promising."

Electrical and Precision Instruments ended mixed, while Trading issues, Motors, Constructions and Real Estates eased.

Australia

Steady in moderate trading, with special situations providing most of the activity.

Brokers said there was some enthusiasm generated by a buoyant overnight Wall Street which was partially offset by the erratic movements in World Guld Bullion prices.

Most of the top Gold issues were slightly easier, while the more Speculative Golds which had generated excitement on Thursday moved lower on Friday.

Base Metals were mixed in relatively low volume. Energy shares were steady.

Hong Kong

Above the day's lows on sporadic late local short-covering. The Hang Seng Index ended 14.52 down at 953.33.

Expectations of poor forthcoming Corporate results again depressed the market.

Brokers noted Jardine Matheson, Hongkong Land, Cheung Kong, Hutchison Whampoa and Swire Pacific will all announce their 1982 results on March 30.

News that Hongkong Land, off 18 cents at HK$4.22, sold its near 35 per cent stake in HK Telephone, down HK$1.25 to HK$34, to Cable and Wireless heightened belief that a Jardine Matheson Rights Issue is imminent.

HK Land owns about 40 per cent of Jardine, and the HK$1.41bn raised by the telephone share sale would be more than enough to meet its entitlement to a Jardine issue.

NEW YORK

CANADA

DENMARK

NETHERLANDS

AUSTRALIA

JAPAN (continued)

FRANCE

NORWAY

SPAIN

HONG KONG

GERMANY

SWEDEN

AUSTRIA

SWITZERLAND

SINGAPORE

BELGIUM/LUXEMBOURG

ITALY

JAPAN

SOUTH AFRICA

Indices

NEW YORK ACTIVE STOCKS

CURRENCIES, MONEY and CAPITAL MARKETS

FOREIGN EXCHANGES

$ and £ easier

The dollar and sterling lost ground in thin foreign exchange trading. Eurodollar interest rates were generally firm, but the U.S. currency weakened in early trading, and then showed little movement for the rest of the day. Sterling remained depressed by concern that world oil prices will continue to decline, despite the recent Opec agreement, although the trade-weighted index finished unchanged at 78.1. It also opened at 78.1, but fel to 78.0 at noon. The pound fell to a low of $1.4565-1.4575 in early trading, but improved to a peak of $1.4630-1.4640 in the afternoon, before closing at $1.4600-1.4610, a fall of 30 points on the day. Sterling also fell to DM3.53 from DM3.5425 against the D-mark; to FFr 10.58 from FFr 10.6050 against the French franc; to SwFr 3.0175 from SwFr 3.03 in terms of the Swiss franc; and to Y346.50 from Y347 against the Japanese yen.

The dollar touched a low of DM 2.4120, and closed at DM 2.4160 compared with DM 2.42. It also fell to FFr 7.2450 from FFr 7.25; and to SwFr 2.0650 from SwFr 2.07, but was unchanged at Y237.

Profit taking probably depressed the U.S. currency in quiet trading ahead of the weekend, but there was little movement in terms of the Japanese yen, which has been very firm this week on increasing investment in the Tokyo capital and equity markets.

The French austerity measures were generally regarded as fairly tough, and this tended to support the French franc, which touched its maximum allowed limit against the D-mark, and required some central bank intervention.

EMS EUROPEAN CURRENCY UNIT RATES

	ECU central rates	Currency amounts against ECU March 25	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc ...	44.3662	44.3750	+0.02	−0.17	±1.5491
Danish Krone ...	8.04412	7.95317	−1.13	−1.32	±1.6419
German D-Mark	2.21515	2.23771	+1.02	+0.83	±1.0567
French Franc ...	6.79271	6.71036	−1.21	−1.40	±1.4018
Dutch Guilder ...	2.49587	2.51338	+0.70	+0.51	±1.4941
Irish Punt	0.71705	0.708313	−1.22	−1.41	±1.6696
Italian Lira	1386.78	1335.09	−3.73	−3.73	±4.1463

Changes are for ECU, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

THE POUND SPOT AND FORWARD

March 25	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	1.4565-1.4640	1.4600-1.4610	0.17-0.12c pm	1.18	0.42-0.37pm	1.08
Canada	1.7870-1.7945	1.7910-1.7920	0.23-0.13c pm	1.20	0.53-0.43pm	1.07
Nethlnd.	3.95-3.98	3.95¾-3.96¾	2⅝-2⅛c pm	7.20	6⅞-5⅞pm	5.44
Belgium	69.50-70.15	69.80-70.08	28-38c dis	−5.66	55-65dis	−3.43
Denmark	12.51-12.56	12.52-12.53	3½-6⅞ore dis	−4.73	8⅞-10dis	−2.93
Ireland	1.1140-1.1210	1.1160-1.1180	0.67-0.85p dis	−3.16	1.48-1.80dis	−5.87
W. Ger.	3.52-3.55	3.52½-3.53½	2⅝-1⅝pf pm	6.37	5¼-4¼pm	5.66
Portugal	140.75-143.25	141.50-142.50	[illegible]	[illegible]	[illegible]	[illegible]

Belgian rate is for convertible francs. Financial franc 72.55-72.65. Six-month forward dollar 0.63-0.58c pm. 12-month 0.85-0.70c pm.

THE DOLLAR SPOT AND FORWARD

March 25	Day's spread	Close	One month	% p.a.	Three months	% p.a.
UK†	1.4565-1.4640	1.4600-1.4610	0.17-0.12c pm	1.18	0.42-0.37pm	1.00
Ireland†	1.3050-1.3090	1.3065-1.3080	1.10-0.90c pm	9.18	2.35-2.00pm	6.66
Canada	1.2260-1.2280	1.2265-1.2275	0.02c pm-0.03dis	−0.05	0.01-0.08dis	−0.11
Nethlnd	2.7070-2.7165	2.7070-2.7090	1.41-1.31c pm	6.02	3.75-3.65pm	5.46
Belgium	47.80-48.02	47.29-47.91	25-30c dis	−6.87	50-57dis	−4.46
Denmark	8.5750-8.6100	8.5750-8.5850	3¼-4¼ore dis	−5.23	8½-7½dis	−3.26
W. Ger.	2.4120-2.4240	2.4155-2.4165	0.98-0.93pf pm	4.74	2.86-2.81pm	4.69

† UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency. Belgian rate is for convertible francs. Financial franc 48.65-48.75.

EXCHANGE CROSS RATES

Mar. 24 — Pound Sterling, U.S. Dollar, Deutschemark, Japanese Yen, French Franc, Swiss Franc, Dutch Guild, Italian Lira, Canada Dollar, Belgian Franc

Mar. 24	Pound St'rling	U.S. Dollar	Deutschem'k	Japanese Yen	French Franc	Swiss Franc	Dutch Guild	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1.	1.461	3.530	346.5	10.58	3.018	3.958	2101.	1.792	69.95
U.S. Dollar	0.685	1.	2.417	237.2	7.244	2.066	2.710	1438.	1.227	47.89

MONEY MARKETS

Very short

UK clearing bank base lending rate 10½ per cent (since March 15 and 16)

The money market was very short of day-to-day credit yesterday. In the morning the Bank of England forecast a shortage of £1,100m, and provided early help by way of outright bill purchases, and repurchase agreements unwinding in about one month. Bills maturing in official hands, and a take-up of last week's Treasury bill tender absorbed £375m, while the unwinding of repurchase agreements absorbed another £354m; Exchequer transactions £40m; and a rise in the note circulation £270m. In very early trading the Bank of England bought £486m bank bills outright by way of £86m bills in band 1 (up to 14 days maturity) at 10½ per cent; £128m bills in band 2 (15-33 days) at 10½ per cent; £159m bills in band 3 (34-63 days) at 10⅜ per cent; and £1m bills in band 4 (64-84) days at 10¼ per cent.

Another £112m bills were purchased for resale on April 27 at rates of 10¼-10½ per cent.

Also before lunch the authorities bought £41m bank bills outright, through purchases of £14m in band 1 at 10½ per cent; £17m in band 2 at 10½ per cent; and £10m in band 3 at 10⅜ per cent. A further £362m bills were purchased for resale in equal amounts on April 12 and 13 at 10½ per cent.

LONDON MONEY RATES

Mar. 25 1983 — Sterling Certificate of deposit; Interbank; Local Authority deposits; Local Auth. negotiable bonds; Finance House Deposits; Company Deposits; Discount Market Deposits; Treasury Bills; Eligible Bank Bills; Fine Trade Bills

Overnight; 2 days notice; 7 days or; 7 days notice; One month; Two months; Three months; Six months; Nine months; One year; Two years — [illegible]

ECGD Fixed Rate Export Finance Scheme IV Average Rate for interest period February 2 to March 1 1983 (inclusive) 11.391 per cent.

Local authorities and finance houses seven days' notice, others seven days fixed. Long-term local authority mortgage rates nominally three years 11¼ per cent; four years 11¼ per cent; five years 11½ per cent. Bank bill rates in table are buying rates for prime paper. Buying rate for four month bank bills 10¼-10½ per cent; four months trade bills 11 per cent.

Approximate selling rate for one month Treasury bills 10¼ per cent; two months 10⅛ per cent; and three months 10¼ per cent. Approximate selling rate for one month bank bills 10½-10¾ per cent; two months 10⅝-10¼ per cent; and three months 10¼-10½ per cent; trade bills 11¼ per cent; two months 10⅞ per cent and three months 10⅞ per cent.

Finance Houses Base Rates (published by the Finance Houses Association) 11½ per cent from March 1 1983. London and Scottish Clearing Bank Rates for lending 10½ per cent. London Deposit Rates for sums at seven days' notice 7½ per cent.

Treasury Bills: Average tender rates of discount 10.2272 per cent. Certificates of Tax Deposit (Series 6). Deposits of £100,000 and over held under one month 10½ per cent; one-three month 10½ per cent; three-six month 10½ per cent; six-12 month 10½ per cent. Under £100,000 10¼ per cent from March 16. Deposits held under Series 3-5 10¼ per cent. The rates for all deposits withdrawn for cash 8 per cent.

EURO-CURRENCY INTEREST RATES (Market closing rates)

Mar. 25 — Short term; 7 days notice; Month; Three Months; Six Months; One Year

Sterling; U.S. Dollar; Can. Dollar; D. Guilder; S. Franc; Deutschm'rk; Fr'nch Franc; Italian Lira; Belg. Franc Conv.; Fin.; Yen; D. Krone; Asia $ (Sing.) — [illegible]

OTHER CURRENCIES

Mar. 25	£	$		£ Note Rates
Argentina Peso...	96,454-96,654	66,040-66,090	Austria...	24.75-25.05
Australia Dollar..	1.6825-1.6845	1.1520-1.1525	Belgium ...	72.25-75.00
Brazil Cruzeiro ..	607.50-609.50	415.46-417.54	Denmark ...	12.48-12.60
Finland Markka..	7.9780-8.0045	5.4640-5.4660	France ...	10.55-10.68
Greek Drachma..	120.840-123.401	83.40-83.70	Germany ...	3.51¼-3.55¼
Hong Kong Dollar	9.75¼-9.77¼	6.6810-6.6850	Italy ...	2075-2110
Iran Rial ...	122.05*	84.00*	Japan ...	344-349

*Selling rates.

FT LONDON INTERBANK FIXING

11.00 a.m. MARCH 25

3 months U.S. dollars		6 months U.S. dollars	
bid [illegible]	offer [illegible]	bid [illegible]	offer [illegible]

The fixing rates are the arithmetic means, rounded to the nearest one-sixteenth, of the bid and offered rates for $10m quoted by the market to five reference banks at 11 am each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris and Morgan Guaranty Trust.

COMMODITIES AND AGRICULTURE

WEEKLY PRICE CHANGES

Latest prices per tonne unless stated; Ch'nge on week; Year ago; 1982/83 High, Low

METALS: Aluminium; Free Market c.i.f.; Antimony; Copper-Cash High Grade; Cash Cathode; Gold per oz.; Lead Cash; Nickel; Palladium per oz.; Platinum per oz.; Quicksilver; Silver per oz.; Tin cash; Tungsten; Wolfram; Zinc cash; Producers — [illegible]

GRAINS: Barley Futures; Maize French; WHEAT Futures; Hard Winter Wheat — [illegible]

SPICES: Cloves; Pepper, white; black — [illegible]

OILS: Coconut (Philippines); Groundnut; Linseed, Crude; Palm Malayan — [illegible]

SEEDS: Copra (Philippines); Soyabeans (U.S.) — [illegible]

OTHER COMMODITIES: Cocoa Shipment; Cocoa Futures May; Coffee Futures May; Cotton Index; Dess. Coconut; Jute UA BWC grade; Rubber kilo — [illegible]

	Latest	Ch'nge on week	Year ago	High	Low
Sago Pearl	£350v	—	£220	£350	£220
Sisal No. SL	$620	−35	$640/650	$655	$590/610
Sugar (Raw)	£111vz	+4	£148	£177	£82
Tapioca No. 1	£285v	—	£215	£285	£215
Tea (quality) kilo	140p	+5	117p	155p	117p
(low med.) kilo	125p	+3	‡	‡	
Wooltops, 64s Warp	409p kilo	+4	392p kilo	409p kilo	662p kilo

‡ Unquoted. (p) Madagascar. (s) April. (u) July. (y) Sept. (z) May. (v) March-April. (w) April-May. § Ghana cocoa.

LONDON OIL SPOT PRICES

	Latest	Change + or −
CRUDE OIL—FOB ($ per barrel)		
Arabian Light	28.00-28.10	—
Iranian Light	26.00-27.00	+0.05
Arabian Heavy	26.05-26.10	+0.67
North Sea (Forties)	28.00-28.10	+0.10
North Sea (Brent)	28.10	+0.16
African Bonny Li'ht	28.30-28.40	+0.16
PRODUCTS—North West Europe CIF ($ per tonne)		
Premium gasoline	275-279	+1.0
Gas oil	226-235	—
Heavy fuel oil	151-150	−3.6

GAS OIL FUTURES

Prices opened a shade weaker, steadying later as the physical market firmed slightly, reports Premier Man.

Month	Yest'day's close	+ or −	Business Done
	$ U.S. per tonne		
March	235.00	+5.06	256.00-31.00
April	258.00	−0.50	252.50-30.25
May	251.50	....	252.25-50.25
June	230.00	....	251.00-28.00
July	229.75	+0.25	230.25-28.50
Aug	251.25	−0.60	231.50-30.25
Sept	233.50	....	255.00-31.75
Oct	265.00	+0.75	236.00-32.50
Nov	235.00	+1.00	235.00

Turnover: 2,412 (3,645) lots of 100 tonnes.

GOLD MARKETS

Gold fell $2 an ounce from Thursday's close in the London bullion market yesterday to finish at $412½-13½. The metal opened at $412½-13½ and traded between a high of $413-14 and a low of $409½-10½. Dealers attributed the recovery in the market after testing the $410 level mainly to short-covering.

LONDON FUTURES

Month	Yest'rday's close	+ or −	Business Done
	$ per troy ounce		
April	415.50-14.4	−1.150	414.50-10.5
May	416.00-18.0	−0.900	—
June	420.10-22.5	−1.800	480.50-10.4
July	422.10-22.5	−2.500	426.80
August	426.20-27.2	−1.050	426.00-23.4
Sept	429.50-31.0	−0.750	—
Oct	433.00-34.0	....	—

Turnover: 824 (1,333) lots of 100 troy ounces.

GOLD MARKETS

Mar. 25 / Mar. 24 — Gold Bullion (fine ounce): Close; Opening; Morning fixing; Afternoon fixing — Gold Coins Mar. 25: Krugrnd; ½ Krug; ¼ Krug; 1/10 Krug; Mapleleaf; New Sov.; ½ New Sov.; King Sov; Victoria Sov; French 20s; 50 pesos Mex; 100 Cor. Aust; $20 Eagles — [illegible]

REVIEW OF THE WEEK

Sterling fall lifts tin to record high

BY OUR COMMODITIES STAFF

TIN PRICES on the London Metal Exchange climbed to record heights again this week but with the Penang price showing a small decline in Malaysian dollar terms London's rise was attributed mainly to sterling's weakness.

Cash standard metal closed yesterday at £9,182.50 a tonne, £140 above last Friday's finishing level.

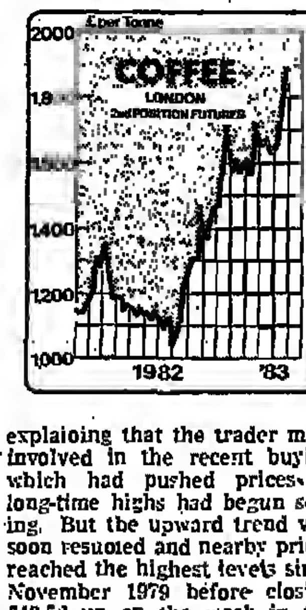
Sentiment was helped meanwhile by the prospect of tin producing countries finally reaching agreement on the formation of a producers-only association at talks in London starting Monday.

In Kuala Lumpur Datuk Paul Leong, the Malaysian primary industries minister, said he was optimistic that Indonesia's doubts about the proposed association could be overcome. Indonesia has held out against the operation of a buffer stock to support prices, taking the view that this function would be best left to the International Tin Agreement, which involves consumers as well as producers.

The fall in sterling also influenced markets in other base metals. Copper began the week lower, reflecting lower prices for gold and oil, but ended £23 up at £1,095 a tonne. Monday's copper price decline was also influenced by the announcement of a 24th successive weekly rise in LME warehouse stocks.

Lead and zinc followed the trend in copper. Cash lead finished £8.75 up at £302 a tonne, and cash zinc £15 up at £468 a tonne.

Coffee prices began the week on an easier note with dealers



explaining that the trader most involved in the recent buying which had pushed prices to long-time highs had begun selling. But the upward trend was soon resumed and nearby prices reached the highest levels since November 1979 before closing £49.50 up on the week in the May delivery position at £1,895.50 a tonne.

Cocoa prices moved in a similar pattern although some dealers reported indications that estimates of recent fire damage to West African crops had been somewhat overdone. The May position on the London futures market finished £30 up on balance at £1,277.50 a tonne.

Talks finishing last night at the London headquarters of the International Cocoa Organisation (ICCO) were expected to result in the postponement of a decision on the resumption of buffer stock price support buying.

The organisation has at its disposal $75m borrowed from a group of Brazilian banks plus $33m from export levies. Dealers said the market had already discounted the expected failure of the two-week meeting to come to a firm decision on this matter.

The sugar market had a quiet week with the London daily raws price ending £4 up at £111 a tonne.

Wednesday's weekly export tender in Brussels resulted in export licences being granted covering an exceptionally low total of 11,000 tonnes of sugar. But dealers said they thought this reflected uncertainty in the European Commission about the effects of the realignment of the European Monetary System (EMS) and had little effect on market sentiment.

BASE METALS

Amalgamated Metal Trading reported that in the morning cash Higher Grade traded at £1091, three months £1110, 20, 16.50, 20, 21, 22, 23, 25, 26, 25, 24, 23.50. Cathodes: Three months £1100, 1098.50, 99. Kerbs: Higher Grade: Three months £1123.50, 24, 24.50, 25, 24, 25, 26, 27. Afternoon: Higher Grade: Three months £1126, 27, 27.50, 28, 27, 26.50, 27. Cathodes: [illegible]

COPPER

[illegible]

TIN

[illegible]

LEAD

[illegible]

ZINC

[illegible]

ALUMINIUM

Aluminm	a.m. Official	+ or −	p.m. Unofficial	+ or −†
	£	£	£	£
Spot	889.0	+18.5	900.5-1.5	+24
3 months	916.5-7	+16.5	928.5-9	+26.5

Aluminium—Morning: Three months £908, 10, 09.50, 10, 10.50, 11, 12, 15. [illegible]

NICKEL

[illegible]

SILVER

[illegible]

COCOA

[illegible]

COTTON

[illegible]

purchases mainly in African and Middle Eastern destinations. Central and South American growths made some headway.

COFFEE

COFFEE	Yesterday's Close	+ or −	Business Done
March	1850-59	+11.5	1940-00
May	1894-07	−8.5	1909-75

[illegible]

INDICES

FINANCIAL TIMES

Mar. 24	Mar. 25	M'th ago	Y'ar ago
273.07	271.91	261.22	244.66

(Base: July 1 1952=100)

REUTERS

Mar. 25	Mar. 24	M'th ago	Y'ar ago
1761.8	1752.8	1706.8	1580.3

(Base: September 18 1931=100)

MOODY'S

Mar. 24	Mar. 23	M'th ago	Y'ar ago
1055.4	1050.5	1067.8	994.8

(December 31 1931=100)

DOW JONES

(Base: December 31 1974=100)

GRAINS

[illegible]

SOYABEAN MEAL

[illegible]

POTATOES

[illegible]

SUGAR

[illegible]

RUBBER

[illegible]

AMERICAN MARKETS

NEW YORK, March 25

Late trading in most commodity markets was affected adversely by rumours that a Wall Street economist anticipated a rise in the Federal fund rate. Sugar markets opened strong on technical buying and short-covering but came under heavy liquidation late in the day; the market finished with net gains on profit-taking. Profit-taking on the close resulted in moderate losses in soyabeans, wheat and maize. The decline in prices stopped short of general support levels where major local, professional and technical buying would take place. Coffee prices collapsed under steady dealer selling and on late commission house liquidation. Precious metals held their own against weak financial markets and finished with impressive rallies which were intensified by short covering, reported Heinold Commodities.

NEW YORK

COCOA 10 tonnes, $/tonnes

	Close	High	Low	Prev
May	1688	1715	1676	1667
July	1728	1762	1718	1706
Sept	1760	1780	1752	1738
Dec	1801	1813	1790	1775
March	1818	—	—	1790
May	1856	—	—	1830
July	[illegible]	—	—	[illegible]

SUGAR WORLD "11" 112,000 lbs; cents/lbs

	Close	High	Low	Prev
May	6.76	6.97	6.60	6.84
July	7.07	7.25	6.90	7.10
Sept	7.41	7.57	7.25	7.40
Oct	7.66	7.80	7.50	7.64
March	8.65	8.76	8.53	8.59
May	8.92	9.05	8.70	8.86
July	9.05	9.25	9.10	9.00

COFFEE "C"; COPPER; COTTON; GOLD 100 troy oz, $/troy oz; HEATING OIL; ORANGE JUICE; PLATINUM 50 troy oz, $/troy oz; SILVER 5,000 troy oz, cents/troy oz — [illegible]

	Close	High	Low	Prev
July	1077.2	1085.0	1050.0	1062.4
Sept	1094.8	1092.0	1070.0	1080.2
Dec	1121.8	1140.0	1097.0	1107.0
Jan	1130.5	—	—	1115.7
March	148.2	1141.0	1132.0	1133.4
May	1166.0	1156.0	1156.0	1151.2
July	1183.8	1169.0	1165.0	1169.0

CHICAGO

LIVE CATTLE 40,000 lb, cents/lb; LIVE HOGS 30,000 lb, cents/lb; MAIZE 5,000 bu min, cents/56lb-bushel; PORK BELLIES 38,000 lb, cents/lb; SOYABEANS 5,000 bu min, cents/60lb-bushel; SOYABEAN MEAL 100 tons, $/ton; SOYABEAN OIL 60,000 lbs, cents/lb; WHEAT 5,000 bu min, cents/60lb-bushel — [illegible]

	Close	High	Low	Prev
May	412-4	—	—	416-0

SPOT PRICES—Chicago loose lard 18.25 (same) cents per pound. New York tin 617.0-25.0 (618.0-24.0) cents per pound. Handy and Harman silver bullion 1040.0 (1049.0) cents per troy ounce.

Sales: 3,678 (2,504) lots of 50 tonnes.

Tate and Lyle delivery price for granulated basis white sugar was £405.90 (same) a tonne for home trade and £218.50 (£213.50) for export.

International Sugar Agreement (U.S. cents per pound) fob and stowed Caribbean ports. Prices for March 24: Daily prices 6.22 (6.14). 15-day average 6.14 (6.12).

WOOL FUTURES

LONDON NEW ZEALAND CROSSBREDS — Close (in order: buyer, seller, business). New Zealand cents per kg. March 380, 387, 387. May 395, 397, 393-393. August 412, 415, 413-411; Oct 420, 421, nil; Dec 423, 427, nil; Jan 425, 428, nil; March 433, 438, nil; May 439, 442, 440; August 449, 452, 451-450. Sales: 38.

SYDNEY GREASY WOOL—Close (in order: buyer, seller, business). Australian cents per kg. May 562.0, 563.0, 564.0-561.0; July 582.0, 583.0, 584.0-581.5; Oct 573.0, 574.0, 574.0-573.0; Dec 582.0, 583.5, 584.0-581.5; March 600.0, 605.0, 601.0-600.0; May 609.0, 612.0, 610.0-606.0; July 620, 623.0, 626.0-623.0. Sales: 106.

STOCK EXCHANGE DEALINGS

Details of business done shown below have been taken with consent from last Thursday's Stock Exchange Official List and should not be reproduced without permission.

Details relate to those securities not included in the FT Share Information Services.

Unless otherwise indicated, denominations are 25p and prices are in pence. The prices are those at which business was done in the 24 hours up to 3.30 pm on Thursday and settled through the Stock Exchange Talisman system: they are not in order of execution but in ascending order which denotes the day's highest and lowest dealing prices.

For those securities in which no business was recorded in Thursday's Official List, the latest recorded business in the five previous days is given with the relevant date.

†Bargains at special prices. ♦Bargains done the previous day. ΔBargains done with non-member or executed in overseas markets.

CORPORATION & COUNTY

UK PUBLIC BOARDS

COMMONWEALTH GOVT

FOREIGN STOCKS (Coupons payable London)

CORPORATIONS—FOREIGN

BANKS, DISCOUNT

BREWERIES

COMMERCIAL, INDUSTRIAL

A—B

C—D

E—F

G—H

I—K

L—M

N—O—P

Q—R—S

T—V

W—Y—Z

FINANCIAL TRUSTS

INSURANCE

INVESTMENT TRUSTS

MINES—MISCELLANEOUS

MINES—SOUTH AFRICAN

OIL

PROPERTY

PLANTATIONS

RAILWAYS

SHIPPING

UTILITIES

WATER WORKS

UNLISTED SECURITIES MARKET

RULE 163 (4) (a)

Bargains marked in securities which are quoted or listed on an Overseas Stock Exchange

RULE 163 (2)

Applications granted for specific bargains in securities not listed on any Stock Exchange.

RULE 163 (3)

Dealings for approved companies engaged solely in mineral exploration

(By permission of the Stock Exchange Council)

Authorised Units—continued

Insurances—continued

Offshore and Overseas—continued

EUROPEAN OPTIONS EXCHANGE

Series		June Vol.	June Last	Sept. Vol.	Sept. Last	Dec. Vol.	Dec. Last	Stock
O/FL C	F.265	15	7.50	—	—	—	—	F.271.80
D/FL C	F.275	1	3.30	—	—	—	—	"
D/FL P	F.260	34	2.70	—	...	—	—	"
D/FL P	F.265	—	—	2	8.50	—	—	"
O/FL P	F.875	—	—	10	18	—	—	"
		May		Aug.		Nov.		
GOLD C	$575	11	54	—	—	—	—	$412.50
GOLD C	$400	25	37	18	54	—	—	"
GOLD C	$425	46	19	9	38	1	49	"
GOLD C	$450	64	8	28	25	1	37	"
GOLD C	$475	37	6	8	19	—	—	"
GOLD C	$500	150	8.20	44	10	2	20	"
GOLD C	$550	28	1.80	11	D	4	10.60	"
GOLD P	$350	10	3.50	—	—	—	—	"
GOLD P	$375	4	8	—	—	—	—	"
GOLD P	$400	20	12	38	22	1	37.80	"
GOLD P	$425	89	24	—	—	—	—	"
GOLD P	$450	3	45	—	—	—	—	"
GOLD P	$475	8	86	—	—	—	—	"
12¾ NL 81 87-91								
C	F.130	—	—	8	4.50	—	—	F.134.10
C	F.135	85	0.80	—	—	54	2.80	"
C	F.140	85	0.10	—	—	—	—	"
P	F.135	6	2.10	—	—	—	—	"
11¼ NL 88 88-92								
C	F.112.50	8	4	—	—	—	—	F.116.50
7¾ NL 88 89-93								
C	F.102.50	—	—	—	—	200	1.60	F.100.80
7½ NL 83 87-90								
C	F.100	105	0.70	—	—	—	—	F.100.20
C	F.102.50	—	—	8	0.80	—	—	"

Series		April Vol.	April Last	July Vol.	July Last	Oct. Vol.	Oct. Last	Stock
AKZO C	F.45	87	13	139	13.20	—	—	F.58.20
AKZO C	F.50	—	—	84	10	53	10.50	"
AKZO C	F.55	147	4.30	131	7.50	—	—	"
AKZO C	F.60	157	2.30	388	4.50	105	5.70	"
AKZO P	F.50	—	—	171	1.50	37	2	"
AKZO P	F.55	59	0.90	51	5.30	—	—	"
AMRO C	F.50	140	10.50	317	11.50	—	—	F.60.30
AMRO C	F.55	45	5.20	175	6.50	—	—	"
AMRO C	F.60	—	—	425	5	71	5.80	"
AMRO P	F.55	—	—	45	1.50	—	—	"
GIST C	F.120	36	38	—	—	—	—	F.153.50
GIST C	F.130	87	28.50	—	—	—	—	"
GIST C	F.140	94	15 A	—	—	—	—	"
GIST C	F.150	404	7.40	66	13	—	—	"
GIST P	F.150	525	2.50	—	—	—	—	"
HEIN C	F.120	—	—	55	11.50	—	—	F.128.50
HEIN C	F.130	76	5.20	100	8	35	9	"
HEIN P	F.110	—	—	58	2.10	—	—	"
HOOG C	F.17.50	41	7	42	7.50	77	8.50	F.24.70
HOOG C	F.20	—	—	68	6.50	—	—	"
HOOG C	F.22.50	135	3.30	168	4.80	—	—	"
HOOG C	F.25	—	—	112	3.50	—	—	"
KLM C	F.150	55	18	—	—	—	—	F.168
KLM C	F.160	88	7.40	—	—	—	—	"
KLM C	F.170	44	5 A	—	—	—	—	"
KLM P	F.150	70	1	—	—	—	—	"
NEDL C	F.100	35	7.50	—	—	—	—	F.106.30
NEDL C	F.110	—	—	48	4.50	—	—	"
NATN C	F.150	44	18	2	17 B	—	—	F.147
PHIL C	F.25	50	19.20 B	—	—	—	—	F.43.40
PHIL C	F.30	84	14.50	50	14.40	34	14.50	"
PHIL C	F.33.50	188	11.70	104	12	108	12	"
PHIL C	F.35	540	9.80	817	9.40	271	10	"
PHIL C	F.40	1061	4.60 A	873	5.10	467	7 A	"
PHIL C	F.45	—	—	1609	3	860	5.90	"
PHIL P	F.35	10	0.10	20	0.50	35	1.20	"
PHIL P	F.40	135	0.50	508	1.70	58	3.40	"
PHIL P	F.45	—	—	278	3.40	—	—	"
RD C	F.90	87	16.50	57	16.50	—	—	F.105.80
RD C	F.100	658	7	298	8.50	92	10.50	"
RD C	F.110	1140	8	415	4.20	498	6.10	"
RD P	F.90	—	—	32	1	55	2	"
RD P	F.100	60	0.70	68	3.40	39	5.60	"
RD P	F.110	551	5.20	12	9	7	13	"
UNIL C	F.200	82	17.50	32	22.50	7	25	F.218
UNIL C	F.220	135	6.50	75	12.20	91	18	"

TOTAL VOLUME IN CONTRACTS 19,486

A=Asked B=Bid C=Call P=Put

هكذا صار الأصل

INTERNATIONAL COMPANIES and FINANCE

AEG collapse hits Dresdner Bank

BY STEWART FLEMING IN FRANKFURT

FALLING INTEREST rates helped Dresdner Bank, West Germany's second largest commercial bank, to record peak operating earnings in 1982.

Heavy write-offs on major corporate collapses such as AEG - Telefunken, however, coupled with provisions against potential bad debts, have sharply reduced profitability.

As a result, the parent bank has reported unchanged net income of DM 139m ($57.4m) and has confirmed that it intends to maintain its annual dividend of DM 4. In 1979, before the bank's earnings dropped sharply, it paid a dividend of DM 9.

The assets of the parent bank rose 5 per cent to DM 83.6bn.

The Dresdner Bank group, which has assets of DM 137bn, reported a net income rise from DM 169m to DM 209m, reflecting an improved performance in the consolidated subsidiaries where, for example, loan losses have been lower. The Dresdner Bank group as a whole, which includes non-consolidated subsidiaries, has total business volume of DM 180bn but does not publish a profit and loss account on a consolidated basis.

The rise to new peaks in operating profitability, in the parent bank in particular, reflected the faster fall in funding costs relative to lending charges, and the associated widening of interest margins from 2.2 per cent to 2.6 per cent on average over the year.

But the financial problems of some of the bank's customers, among them AEG-Telefunken, Bauknecht and Korf Steel, forced it to make heavy write-offs on loans. On AEG alone, unofficial estimates put its loan losses last year at close to DM 250m.

Alongside domestic and international loan losses, the bank will also have been adding to its provisions against potential loan losses, in particular country risk lending.

The full extent of its write-offs and provisions is not disclosed, but Dr Hans Friderichs, chief executive, says those that are disclosed give a guide to the direction of the overall figures.

Disclosed provisions in the parent bank, Dresdner Bank AG, more than doubled from DM 158.6m to DM 401.4m, an all-time peak. In the consolidated concern, which for example excludes the Luxembourg subsidiary, write-offs and provisions were increased to DM 587m from DM 246m.

The bank has been able to absorb this burden because of the sharp rise in profitability mainly as a result of falling interest rates. In the parent bank, for example, interest income rose 19.3 per cent and the operating profit before securities, foreign exchange and metals trading income, rose 51.7 per cent to DM 840.9m.

● Dresdner Bank is raising $100m through a seven-year Eurobond in an interest rate swap for floating rate debt, Reuter adds from London.

The bond carries an 11 per cent coupon, is priced at par, and is noncallable. Dresdner is lead-managing the issue.

New England Mutual to offer discount brokerage

BY PAUL TAYLOR IN NEW YORK

NEW ENGLAND Mutual Life Insurance, the 14th largest U.S. life insurance group, plans to enter the discount brokerage business in May through its national network of life insurance salesmen.

The move is the latest in a series of diversifications within the U.S. financial services industry which are breaking down the traditional barriers between the banking, insurance and securities sectors.

New England Mutual will be the first major insurer to enter the discount brokerage industry by this route, although other insurers like Prudential have moved into the securities business by buying full service firms.

The banks have also been moving into the discount brokerage field. BankAmerica recently completed the acquisition of Charles Schwab, the nation's largest discount brokerage house. Several other banks, including Security Pacific and Chase Manhattan, have also recently announced major acquisitions.

Earlier this week Marine Midland, the 16th largest U.S. bank, in which Hongkong and Shanghai Bank has a 51 per cent stake, announced that it has begun to offer bank customers discount brokerage services.

New England Mutual says its scheme is designed to provide a complementary service to selling life insurance, while obtaining a foot in the securities industry without the expense of buying a firm. The insurance company's sales agents will be encouraged to take orders from customers which will then be placed through the Fidelity group.

New England Mutual has total assets of about $19bn of which about $8.1bn relates to the insurance business.

Consortium to buy 56% stake in Italian insurer

BY JAMES BUXTON IN ROME

A CONSORTIUM led by IFI, the holding company of the Agnelli family, is to buy the majority stake in Toro Assicurazioni, Italy's eighth largest insurance company.

The consortium, called Finsecur, is to pay "almost L300bn ($210m) in stages for the 56 per cent stake in Toro held by La Centrale, the finance company half owned by Nuovo Banco Ambrosiano, the successor to the late Sig Roberto Calvi's Banco Ambrosiano.

IFI is the vehicle through which the Agnelli family controls the Fiat group. Finsecur, in which IFI has a majority stake, includes the Ferrero confectionery group, the Acutis family and probably another Turin company. All are based, like Toro itself, in Piedmont, north-west Italy.

The consortium was formed towards the end of 1982 with a view, IFI says, to end the uncertainty over the future of Toro caused by the bankruptcy last summer of Banco Ambrosiano. The seven-bank consortium which owns Nuovo Banco Ambrosiano and controls La Centrale decided to sell Toro.

Last summer IFI signalled its intention of moving back into the insurance industry by buying 40 per cent of the Lloyd Adriatico insurance concern. Until seven years ago it controlled the SAI insurance group.

In a separate development, announced yesterday, Sig Mario Gabrielli, director-general of La Centrale, is to take the important job of financial director of ENI, the Italian state energy group and one of the largest companies outside the U.S. Earlier, Sig Gabrielli was for eight years finance director of Olivetti.

His appointment is significant because of the weak state of ENI's finances.

Electrolux pre-tax results rise 71%

By David Brown in Stockholm

ELECTROLUX, the Swedish household appliances group, yesterday reported a 71 per cent improvement in pre-tax earnings from SKr 355m to SKr 609m ($81m) for 1982.

Income before allocations and taxes at SKr 567m, however, was only just over half the 1981 level, because of an extraordinary gain of SKr 772m recorded in the previous period against a loss of SKr 42m in 1982. Net income of SKr 301m compared to SKr 961m the previous period.

Three-quarter of sales, which grew by 19 per cent to SKr 31.6bn, were outside Sweden.

Operating income was ahead by 12 per cent to SKr 1.9bn. Net financial expenses at SKr 1.2bn were steady, bringing income after financial items to SKr 710m. Foreign exchange differences of SKr 101m were down from the SKr 153m recorded in 1981.

The earnings improvement was attributed to internal rationalisation measures which were not expected to have their full impact until 1983. Market shares in most products improved, and most units were able to reduce costs due to much lower demand.

The group sold its FACET office product subsidiary to the LM Ericsson telecommunications group early this year. The Granges metal and engineering unit sold its Platzer Bygg AB construction subsidiary.

Net income per share grew from SKr 9.80 to SKr 13.40. The board is proposing a dividend of SKr 9 per share, up from SKr 8, for a total of SKr 232m. The group sees further improvement for 1983.

Property sale helps Hopewell first half

BY ROBERT COTTRELL IN HONG KONG

HOPEWELL HOLDINGS, the Hong Kong property and construction group, has reported attributable interim profits of HK$83.3m (U.S.$12.5m) for the six months to December 31 1982, against HK$69.7m for the same period in 1981.

Recurrent net earnings were sharply lower at HK$13.7m against HK$69.6m previously but the group more than made up the shortfall with an extraordinary gain of HK$69.6m from the sale of a residential development, Shiu Fai Terrace. The interim dividend is halved, at two cents.

Hopewell also says it has agreed to set up a joint venture with China's Shenzhen Special Economic Zone Development Company, to develop Shenzhen railway station and associated buildings. Hopewell says it will arrange HK$300m financing for the 30,000 square metre site.

Hopewell says its results reflect provisions against some of its properties and investments.

Two other property groups Sun Hung Kai Properties and Hang Lung Development, have reported interim results for the period to December 1982, which illustrate further the parlous state of the Hong Kong property market.

Net profits at SHK Properties fell more than 50 per cent, to HK$245m from HK$450m, previously. The interim dividend has been maintained at 24 cents and compares with a final dividend of 64 cents paid for the year to June 30, 1982.

Hang Lung experienced an even sharper fall in net profits, down to only 24 per cent of the previous year's figure at HK$52.6m. Earnings per share were cut by a similar proportion to 12.2 cents from 50.9 cents. An interim dividend of 7 cents, compared with 10 cents in the same period in 1981 and a full year dividend of 25 cents per share to June 30 1982, is being paid.

CIT-Alcatel expects big advance in 1982 profit

BY PAUL BETTS IN PARIS

CIT-ALCATEL, the leading French telecommunications manufacturers controlled by the state-owned Compagnie Generale d'Electricite, said yesterday it expected to report a strong advance in its profits for 1982 compared with the FFr 90.8m ($12.5m) it earned in 1981.

But the group's CIT public telecommunications business was expected to report flat consolidated earnings similar to the FFr 74.4m earned in 1981.

In a letter to shareholders, M Georges Pebereau, president of CIT-Alcatel, said consolidated turnover had increased by nearly 16 per cent last year to FFr 12.4bn.

The group's international business had advanced strongly, he said, with foreign orders increasing by 50 per cent.

Moreover, the group's private telecommunications businesses and electronics and services operations now accounted for 60 per cent of all sales, while five years ago the public telecommunications business accounted for 61 per cent of sales.

M Pebereau said he expected annual turnover to increase steadily to FFr 26bn by 1987 of which 40 per cent would involve foreign sales. He added the group was continuing talks with Olivetti of Italy on possible joint ventures.

Canon's net income up by 40% last year

By Our Financial Staff

CANON, Japan's leading camera maker, has reported an increase of almost 40 per cent in group net profits, to Y22.4bn ($94.8m) from Y16.2bn for 1982. Group turnover was up 23.2 per cent at Y580.5bn.

Sales of the group grew in all sectors, particularly in office equipment, up 35.2 per cent to Y310bn. Camera sales, however, rose more modestly, by 11.3 per cent, to Y225bn. Profits per share were Y57.29 against Y47.37.

The group results were a significant improvement over those for the parent company released last month. Unconsolidated net income was up only 6.2 per cent at Y16.7bn, and sales on the same basis up 8.7 per cent at Y306.5bn. Parent company pre-tax profits were Y28.5bn compared with Y55.2bn for the group as a whole.

For 1983, Canon is forecasting a rise of more than 15 per cent in group sales. It was unwilling to make a prediction for net profits.

Credit Suisse lifts holding in FCSFB

ZURICH—Credit Suisse is to raise its stake in Financiere Credit Suisse-First Boston (FCSFB) to about 54 per cent from 49 per cent.

Announcing this at the Credit Suisse annual meeting, Mr Oskar Aeppli, chairman of the Supervisory Board, gave no reasons for the step.

Mr Aeppli gave no information either on the intentions of FCSFB's second largest shareholder, the First Boston Corporation of New York, which has a 34 per cent stake. First Boston last night confirmed the change in shareholdings.

Reuter

AUTHORISED UNIT TRUSTS

FT UNIT TRUST INFORMATION SERVICE

INSURANCES

MARKET REPORT

Investors remain cautious but underlying tone holds steady to firm—Share index improves 2.1 to 656.9

Account Dealing Dates
Options

*First Dealings	Declarations	Last Dealings	Account Day
Mar 7	Mar 17	Mar 18	Mar 28
Mar 21	Apr 7	Apr 8	Apr 18
Apr 11	Apr 21	Apr 22	May 3

* "New-time" dealings may take place from 9.30 am two business days earlier.

London stock market finished the first leg of the extended Easter trading Account on a quietly steady note, after a week in which sentiment has been adversely affected by the continued slide in sterling. Still far from showing confidence, the pound's more stable trend yesterday helped to maintain Thursday's improved tone in Gilts and equities.

Wall Street's overnight advance to a record peak and the Tories' relief at coming a good second in the Darlington by-election lent weight to an early improvement in leading shares. Buyers, however, continued to hold off in the face of continuing oil price uncertainties. As a result, early gains were usually erased and most quotations closed little changed on the day.

Measuring the tone, the Financial Times Industrial Ordinary share index, 1.6 higher at the first calculation and 2.1 up two hours later, drifted back to show a loss of 0.2 at 2 am before closing 2.1 up on the day at 656.9 helped by a late burst of strength in Glaxo which ended 80 up at an all-time high of 820p on fresh U.S. support ahead of the group's preliminary results, due shortly. Over the week, the index recorded a loss of 4.1.

The week's steady stream of bids was rounded off yesterday with an offer by Rightwise for Surmah Valley, an approach for Trident TV and a proposed merger between Edinburgh Investment Trust and Scottish United Investors. Overall conditions remained extremely quiet, but trading statements were again fairly numerous and claimed a considerable amount of attention.

Gilt-edged securities maintained Thursday's harder trend. Business was small ahead of the week-end, but the underlying tone held steady to firm with quotations at the long end of the market improving gradually to close around ½ higher. Treasury 12½ per cent 1986 Convertible were again outstanding in the shorts with a further rise of a point to 108½, other gains in the area being limited to ½. Ahead of next Monday's final call of around £514m, Exchequer 10½ per cent 1987 A, held at 29½ in £30-paid form.

CU good

Commercial Union provided a firm contrast in otherwise dull Composite Insurances, rising 7 to 134p, after 135p, on the annual report in which the chairman forecasts maintenance of the 1982 dividend. GRE, with preliminary figures scheduled for next Wednesday, dipped 6 to 418p. Sun Alliance gave up 5 to 970p as did Royals, to 503p, while General Accident relinquished 4 to 392p. Elsewhere, Hogg Robinson put on 3 to 107p: The Kuwait Investment Office owns a near-10 per cent stake in the company.

A rising market earlier in the week helped by good results from Prudential and Britannic, Life Insurances were firm again yesterday and closed at a new high in the FT Actuaries sector index: Prudential closed the week 22 up at 400p.

The major clearing banks ended the week on a quietly firm note. Barclays put on 8 to 468p and Midland hardened a few pence to 375p. Continuing to draw strength from the impressive annual figures, Standard Chartered added 8 more at 498p. Manson Finance Trust dipped 3 to 30p on the disappointing interim profits.

Macallan-Glenlivet were marked 10 higher to 520p following the full-year figures. Elsewhere in the drinks sector, CAMRA (Real Ale) Investments also announced annual results and put on 5 to 125p.

Occasional small offerings and lack of interest again left their mark on leading Buildings. The tone improved late after a broker's optimistic review of the sector, but this failed to generate any worthwhile business and quotations remained at the lower levels. Redland closed a net 6 off at 257p, while RMC softened 3 to 391p. London Brick lost the turn to 153p. The Timber sector again featured Meyer International, which attracted another lively trade and touched a 1982-83 peak of 141p before closing 2 dearer on balance at 139p. Elsewhere, Tilbury Group attracted renewed support and firmed 6 to 140p and Marchwiel improved 4 to 216p. John Mowlem, still reflecting the planned U.S. acquisition which is to be partly financed by a rights issue, rose 8 more for an advance on the week of 24 to a 1982-83 peak of 250p. Crouch Group, up 10 on Thursday on the announcement that Mr Peter Meyer and a related trust had increased their stake in the company to 18.5 per cent, came back a couple of pence to 128p. Sheffield Brick, good earlier in the week on the Lomas-light cash injection, also gave up 2, but ended 7 up on the week at 32p. Whatlings firmed 3 to 73p after Press comment suggesting the company was a takeover target.

Business in ICI failed to expand and the price fluctuated narrowly before closing unchanged at 400p. Among other Chemicals, Laporte edged up 3 to 260p and Rentokil 2 to 240p.

UDS touched 134p and closed 2 above the increased cash offer from Bassishaw, but some 4 below Hanson Trust's revised terms. Hanson hardened a penny to 186p. Burton attracted steady support on talk of a broker's bullish circular and put on 6 to 327p. Harris Queensway dipped sharply to 312p following the surprise announcement of a £24.5m rights issue, but rallied on a closer examination of the preliminary results and statement to close unchanged on balance at 328p; Harris has denied any predatory interest in Waring and Gillow which rose sharply on Thursday following news of a bid approach. Waring eased 5 to 135p retained a gain on the week of 40. Other speculative favourites to make good progress included Owen Owen, 14 up at 190p, Cantors A, 7 better at 62p, and Martin The Newsagent, 15 dearer at 178p, but Mellins, due to announce annual results next Tuesday, eased 7 to 183p. Further consideration of the interim results clipped 5 from James Walker, 45p, while the A eased 3 to 33p.

Down 17 the previous day on concern about a possible protracted legal dispute with Motorola of the U.S., Racal regained composure with a rally of 16 to 434p. Other Electrical leaders closed firm with Plessey 7 better at 542p and Thorn EMI the same amount higher at 487p. Secondary issues were featured by a jump of 29 to 474p in Automated Security following the good results and proposed 100 per cent scrip-issue. Awaiting further news of the minority bid approach from BET, Rediffusion gained 10 more for a jump on the week of 70 to 330p. Investment recommendations prompted a rise of 9 to 496p in Ferranti and an improvement of 3 to 52p in Knight Computer. Renewed demand on recovery hopes lifted BSR 5 to 99p. Eurotherm remained friendless and lost 12 at 315p.

John Brown, a rising market of late on talk that the group's turbine division is to be sold to Hawker, cheapened a penny to 21p in the absence of developments; Hawker lost 8 more to 380p. Elsewhere in Engineerings, Manganese Bronze attracted demand and closed 5 to the good at 33p, while Howard Machinery edged forward a penny to 21p in response to an investment recommendation.

Bio-Isolates touched 270p before closing 10 higher on balance at 265p following details of the agreement with Mitchelson Co-operative and Agricultural Society of County Cork, Eire, and of the joint U.S. venture. Further demand in a thin market lifted Carr's Milling 8 for a two-day gain of 16 to 103p, but Barker and Dobson, a good market earlier in the week on acquisition news, softened ½ to 11p despite the chairman's optimistic annual statement.

Trusthouse Forte, reflecting overseas earnings prospects in the wake of sterling's recent poor performance and reports of increased U.S. hotel bookings, put on 6 to 177p. De Vere Hotels, a thin market, gained 12 to 255p on bid hopes.

Glaxo soar

Already outstanding market this week on U.S. buying ahead of the interim figures scheduled for April 11, Glaxo soared 80 to close 115 up on the week at 820p following the group's joint Japanese marketing venture. Reckitt and Colman rose 13 to 408p on buying ahead of preliminary results due next Tuesday, while Rank Organisation gained 7 to 148p following Press comment. Elsewhere in miscellaneous Industrials, Johnson Group Cleaners advanced 18 afresh to 345p ahead of results due on April 5 and Stanelco reflected the interim profits recovery with a rise of 5 to 45p. Bellair Cosmetics gained 5 to 29p on the bid approach and James Wilkes rose 10 to 255p ahead of Wednesday's annual figures. I. and J. Hyman put on 3½ to 18½p as did J. W. Spear, to 48p, while revived bid hopes lifted UKO 4 to 64p. London and Liverpool Trust improved to 505p initially on further consideration of the company's minimum £8m offer to the Football Association for the exclusive screening of football league matches before retreating on profit-taking to close only 2 dearer on balance at 480p.

Campari gained 12 to 61p following the good results and the chairman's confident statement about current-year prospects. Black and Edgington, which announced a return to profitability on Thursday, put on 6 to 64p. Confirmation of the strongly rumoured bid approach from Pleasurama prompted a gain of 4 to 101p in Trident TV; Pleasurama lost 15 to 545p. The announcement of a £2.3m rights issue to finance the acquisition of two apartment complexes in Majorca and Gran Canaria made no apparent impact on Leisuretime International which held at 135p. Horizon Travel, in the doldrums recently, met revived support and rose 15 to 180p.

Lucas reacted to nervous selling in front of next Thursday's interim results and eased 6 to 164p. Among Motor Distributors, Lex Service announced preliminary results in line with market expectations and closed a penny cheaper at 221p, after 218p. Belfast-based concern Charles Hurst were marked up to 85p before settling a net 20 higher at 80p, albeit in a thin market, on the return to profits and the increased dividend.

Eucalyptus Pulp fell to 220p before closing a net 15 off at 230p following the omitted final dividend and slashed preliminary profits.

Trading statements injected a little life into an otherwise subdued Property sector. Bridgewater Estates gained 35 to 530p in response to the good preliminary results and property revaluation, while the increased interim profits helped Westminster and Country Properties to rise 4 to 90p. Elsewhere, Stewart Nairn attracted fresh speculative buying and firmed 3 to 68p, while estate agents Bairstow Eves put on 4 to 147p. Wingate, dealt in the Unlisted Securities' Market, hardened 3 to 105p.

Britoil improve

Business in Oils was again inhibited by continuing doubts about the Opec agreement holding, but the leaders still managed to make modest progress. British Petroleum edged up a couple of pence to 322p, as did Shell, to 448p. Britoil's profits exceeded the prospectus forecast and the shares closed 3 dearer at the day's best of 58p. Burmah, up 11 on Thursday on revived bid hopes, softened a penny to 149p.

Among Investment Trust, the proposed merger terms clipped 5 from Edinburgh, 87p, and 3 from Scottish United, 75p. Financials again featured Exco International which advanced 28 to 733p ahead of next Tuesday's preliminary results. Mills and Allen rose 20 to 455p. Fresh support was also apparent for stockjobbers Akroyd and Smithers, 16 dearer at 326p.

Contrasting features in Shippings were provided by Milford Docks, which continued to respond to speculative activity and firmed 8 to 117p, and by Lyle, which reacted 10 to 187p on profit-taking.

Proceedings in Plantations were enlivened by Surmah Valley Tea which jumped 27 to 150p following the offer from Rightwise, 25 easier at 175p, the latter also announced a £0.76m rights issue. Elsewhere, support was forthcoming for Boustead, 6 up at 65p, and for Majedie, 8 better at 83p, while Barlow, a firm market of late, added 3 more at 84p.

Golds down again

A week of erratic movements and disappointingly low turnover in South African Golds closed with the market drifting in subdued business, reflecting another lack-lustre performance by the bullion price.

The latter fell $2 to $413 an ounce to show a fall of $8.5 over the week.

Share prices gave ground from the outset but tended to pick up in the afternoon and after-hours' trading although closing levels were well down on Thursday's close. The Gold Mines index dropped 12.8 to 537.9 to leave this measure with a 13.3 loss over the five-day period.

Among the top-quality issues, Free State Geduld were notably weak and fell £1½ to £26 while losses of between ½ and a full point were common to Randfontein, £85, Winkelhaak, £22½, Southvaal, £36, and East Rand Proprietary, £11. St Helena and Hartebeest dropped around £1½ apiece to £25 and £46½ respectively.

De Beers continued to make significant progress in South Africans amid vague rumours of a diamond price increase; persistent buying from Johannesburg lifted the deferred shares 7 to 502p.

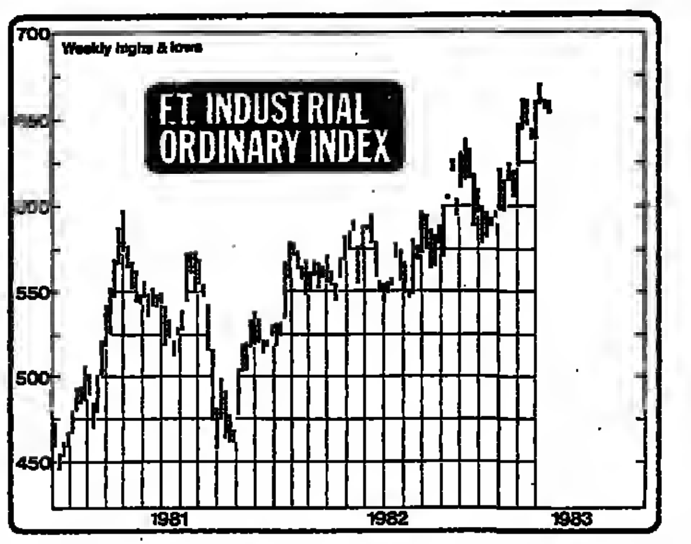
Bermuda's Minorco dipped 12 to 753p ahead of the interim results due after market hours yesterday. London Financials showed little overall change.

Australians were quietly mixed. The speculative gold stocks that attracted the market's attention on Thursday subsided in much quieter trading. Kalbara dipped 3 to 39p, Jingellic Minerals 2 to 59p and Enterprise Gold Mining a penny to 30p. Major Jingellic holders CGMA rose a penny to 3½p.

Among the leaders, Gold Mines of Kalgoorlie eased 5 to 510p and Peko-Wallsend 4 to 338p but Pancontinental edged up 2 to 88p.

The London-registered Hampton Areas attracted renewed selling ahead of the £17m rights issue and dropped 5 more to 183p—a week's fall of 21, but Paringa Mining and Exploration rose 2 to a year's best of 54p.

Dealers reported slightly improved conditions in Traded Options and total contracts amounted to 1,781. The week's daily average was 1,461. Call business was dominated by Grand Metropolitan which recorded 438 trades with 209 struck in the July 300's.



FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

	EQUITY GROUPS & SUB-SECTIONS (Figures in parentheses show number of stocks per section)	Fri March 25 1983 Index No.	Day's Change %	Est. Earnings Yield % (Max.)	Gross Div. Yield % (ACT at 30%)	Est. P/E Ratio (Net)	Thur March 24 Index No.	Wed March 23 Index No.	Tues March 22 Index No.	Mon March 21 Index No.	Year ago (approx.) Index No.	1982/83 High	1982/83 Low	Since Compilation High	Since Compilation Low
1	CAPITAL GOODS (207)	450.46	+0.5	8.73	3.81	14.44	448.18	450.13	456.06	450.68	366.12	465.25 (15/3/83)	351.14 (14/1/82)	465.25 (15/3/83)	50.71 (13/12/74)
2	Building Materials (23)	445.75	—	9.47	4.33	12.76	445.64	447.14	452.81	446.92	330.66	462.65 (15/3/83)	299.54 (6/1/82)	462.65 (15/3/83)	44.27 (11/12/74)
3	Contracting, Construction (30)	791.12	+0.1	11.36	4.23	10.59	790.49	792.36	797.40	795.32	610.06	831.09 (15/3/83)	529.58 (6/1/82)	831.09 (15/3/83)	71.48 (2/12/74)
4	Electricals (32)	1632.38	+1.4	7.32	2.13	17.56	1618.21	1621.52	1659.80	1632.05	1265.09	1904.92 (11/10/82)	1205.68 (14/1/82)	1904.92 (11/10/82)	84.71 (25/6/62)
5	Engineering, Contractors (10)	443.88	+0.5	15.79	6.74	7.75	441.85	441.85	445.37	443.26	498.57	525.05 (5/2/82)	391.02 (1/2/83)	523.05 (5/2/82)	64.39 (2/1/75)
6	Mechanical Engineering (66)	217.35	−0.4	10.72	5.28	11.60	218.25	219.01	219.76	218.26	189.39	222.65 (15/3/83)	187.11 (6/4/82)	230.26 (24/4/81)	45.43 (6/1/75)
8	Metals and Metal Forming (11)	178.98	−0.2	11.08	6.95	11.04	179.31	179.95	176.83	175.46	161.08	182.98 (29/1/82)	128.49 (5/10/82)	192.29 (4/5/79)	49.65 (6/1/75)
9	Motors (18)	95.39	−0.7	0.77	6.56	—	96.07	96.00	95.34	93.83	96.24	102.40 (3/2/82)	72.33 (4/10/82)	170.59 (15/1/69)	19.91 (6/1/75)
10	Other Industrial Materials (17)	419.20	—	7.71	5.08	17.22	419.19	419.20	423.37	419.69	373.54	433.20 (16/3/83)	337.32 (9/8/82)	433.20 (16/3/83)	277.55 (15/1/81)
21	CONSUMER GROUP (200)	416.89	+0.9	10.12	4.30	12.01	412.97	411.07	411.71	407.19	296.40	425.57 (10/3/83)	265.59 (5/1/82)	425.57 (10/3/83)	61.41 (13/12/74)
22	Brewers and Distillers (23)	443.13	+0.2	11.45	4.83	10.66	442.35	445.15	445.12	439.65	299.23	486.54 (15/2/83)	261.00 (12/1/82)	486.54 (15/2/83)	69.47 (13/12/74)
25	Food Manufacturing (21)	346.74	−0.1	13.37	5.52	8.77	347.05	344.18	343.96	339.95	271.72	350.37 (10/3/83)	255.63 (21/6/82)	350.37 (10/3/83)	59.67 (11/12/74)
26	Food Retailing (14)	827.68	−0.1	7.70	2.93	16.33	828.55	832.18	837.52	828.09	603.70	915.86 (17/11/82)	545.79 (5/1/82)	915.86 (17/11/82)	54.25 (11/12/74)
27	Health and Household Products (8)	792.25	+4.9	5.07	2.32	23.41	755.31	739.49	742.59	734.54	383.78	792.25 (25/3/83)	338.70 (5/1/82)	792.25 (25/3/83)	175.38 (28/5/80)
29	Leisure (24)	519.64	+1.6	7.81	4.62	16.73	511.41	510.80	513.12	509.22	440.85	524.29 (16/3/83)	395.85 (9/7/82)	524.29 (16/3/83)	54.83 (9/1/75)
32	Newspapers, Publishing (13)	768.41	−0.5	8.15	4.25	16.37	772.29	759.15	751.74	749.34	525.77	772.29 (24/3/83)	472.39 (14/1/82)	772.29 (24/3/83)	55.08 (6/1/75)
33	Packaging and Paper (14)	160.39	−0.4	14.52	6.95	8.07	161.04	160.10	161.82	159.83	147.37	170.70 (17/2/83)	130.74 (5/1/82)	170.70 (17/2/83)	43.46 (6/1/75)
34	Stores (47)	354.87	—	0.55	3.90	15.51	354.78	351.67	352.71	350.28	275.59	397.17 (19/11/82)	238.02 (5/1/82)	397.17 (19/11/82)	52.63 (6/1/75)
35	Textiles (22)	196.93	−0.3	12.99	5.67	9.23	197.60	198.63	198.45	197.16	172.72	203.00 (10/3/83)	152.91 (5/1/82)	235.72 (17/1/67)	62.66 (11/12/74)
36	Tobaccos (3)	456.10	+0.7	19.20	6.07	5.82	452.83	457.08	453.30	442.20	303.16	516.31 (3/2/83)	251.28 (6/1/82)	516.31 (3/2/83)	94.34 (13/6/62)
39	Other Consumer (11)	376.21	−8.2	5.34	3.83	—	376.90	377.41	373.21	376.00	294.06	387.98 (15/3/83)	247.87 (1/1/82)	387.98 (15/3/83)	229.84 (28/9/81)
41	OTHER GROUPS (79)	336.05	+0.3	9.02	4.89	13.68	335.18	335.75	338.04	332.35	253.91	339.29 (15/3/83)	228.88 (5/1/82)	339.29 (15/3/83)	58.63 (6/1/75)
42	Chemicals (15)	433.66	+0.1	9.18	5.60	13.59	433.24	430.59	434.06	427.21	329.33	436.82 (10/3/83)	297.89 (5/1/82)	436.82 (10/3/83)	71.20 (1/12/74)
44	Office Equipment (6)	107.41	+2.6	8.21	5.02	15.68	104.67	103.81	105.06	103.39	125.24	131.88 (29/1/82)	78.52 (22/12/82)	246.06 (1/9/72)	45.34 (2/1/75)
45	Shipping and Transport (14)	644.41	−0.4	11.61	6.32	10.52	646.74	651.04	654.35	637.14	578.08	654.35 (22/3/83)	496.46 (10/12/82)	654.35 (22/3/83)	90.80 (29/6/62)
46	Miscellaneous (44)	475.66	+0.3	8.37	3.92	14.57	474.44	478.51	481.17	473.66	324.16	485.58 (16/3/83)	289.92 (5/1/82)	485.58 (16/3/83)	60.39 (6/7/75)
49	INDUSTRIAL GROUP (486)	418.78	+0.7	9.50	4.22	12.97	415.85	415.57	418.18	413.13	314.79	428.14 (15/3/83)	289.79 (5/1/82)	428.14 (15/3/83)	59.01 (13/12/74)
51	Oils (14)	754.03	+0.6	16.78	7.75	7.04	749.34	745.26	744.96	736.29	692.64	792.72 (22/10/82)	627.13 (10/3/82)	1065.24 (19/11/80)	87.23 (29/5/62)
59	500 SHARE INDEX	446.54	+0.7	10.55	4.73	11.56	443.47	442.86	445.22	439.87	345.58	455.82 (15/3/83)	324.63 (12/1/82)	455.82 (15/3/83)	63.49 (13/12/74)
61	FINANCIAL GROUP (121)	312.60	+0.5	—	5.82	—	311.10	310.79	309.07	305.80	257.98	317.67 (15/3/83)	238.25 (28/6/82)	317.67 (15/3/83)	55.88 (13/12/74)
62	Banks (6)	335.26	+0.8	26.70	7.35	4.08	332.76	330.79	332.12	324.47	274.23	357.74 (15/3/83)	249.31 (4/10/82)	357.74 (15/3/83)	62.44 (12/12/74)
63	Discount Houses (8)	298.06	−0.2	—	8.19	—	298.55	303.48	302.92	307.32	236.90	334.35 (14/10/82)	211.15 (7/1/82)	334.35 (14/10/82)	81.40 (10/12/74)
65	Insurance (Life) (9)	399.95	+0.2	—	5.13	—	399.19	398.26	381.25	378.34	259.55	399.95 (25/3/83)	243.18 (12/1/82)	399.95 (25/3/83)	44.88 (2/1/75)
66	Insurance (Composite) (10)	194.90	—	—	7.51	—	194.90	195.42	194.75	193.59	166.81	206.80 (31/1/83)	147.23 (20/5/82)	206.80 (31/1/83)	43.96 (13/12/74)
67	Insurance Brokers (7)	593.22	+1.8	11.10	4.93	12.27	582.92	585.33	584.82	581.15	468.85	593.22 (25/3/83)	410.59 (13/1/82)	593.22 (25/3/83)	65.86 (16/12/74)
68	Merchant Banks (13)	166.37	+0.7	—	5.08	—	165.25	164.24	162.44	161.19	145.63	170.12 (8/2/83)	128.79 (5/7/82)	278.57 (1/5/72)	31.21 (7/1/75)
69	Property (54)	466.37	−0.1	5.55	3.84	23.82	466.61	467.04	469.42	469.49	455.92	474.97 (10/3/83)	378.29 (26/11/82)	517.77 (2/4/81)	56.01 (20/4/65)
70	Other Financial (14)	263.61	+2.0	10.99	4.81	10.92	258.43	258.29	257.89	250.97	179.26	263.61 (25/3/83)	157.25 (16/8/82)	303.18 (18/5/72)	33.29 (17/12/74)
71	Investment Trusts (109)	418.33	+0.3	—	4.08	—	416.97	412.26	411.54	409.89	295.84	418.33 (25/3/83)	283.53 (6/1/82)	418.33 (25/3/83)	71.63 (13/12/74)
81	Mining Finance (4)	253.29	−0.3	7.24	5.62	19.29	253.98	249.03	248.76	245.49	204.68	278.63 (11/2/83)	169.40 (21/6/82)	296.26 (14/8/81)	66.31 (30/9/74)
91	Overseas Traders (16)	437.33	+0.2	9.32	8.31	15.28	436.49	439.25	437.37	432.98	381.64	449.73 (9/2/83)	327.29 (21/6/82)	488.51 (18/5/81)	97.37 (6/1/75)
99	ALL-SHARE INDEX (750)	413.71	+0.6	—	4.93	—	411.20	410.29	411.46	406.81	323.00	421.13 (15/3/83)	306.22 (12/1/82)	421.13 (15/3/83)	61.92 (13/12/74)

FIXED INTEREST

	PRICE INDICES	Fri March 25	Day's change %	Thur March 24	xd adj. today	xd adj. 1983 to date
	British Government					
1	5 years	116.90	+0.17	116.78	0.08	2.38
2	5-15 years	128.38	+0.21	128.12	0.01	3.33
3	Over 15 years	137.35	+0.39	136.98	0.18	2.49
4	Irredeemables	146.90	+0.50	146.17	—	1.62
5	All Stocks	127.40	+0.26	127.15	0.08	2.79
6	Debentures and Loans	101.33	+0.31	101.01	—	2.90
7	Preference	80.06	+0.02	80.04	—	2.18

	AVERAGE GROSS REDEMPTION YIELDS		Fri March 25	Thur March 24	Year ago (approx.)	1982/83 Highs	1982/83 Lows
	British Government						
1	Low	5 years	9.28	9.26	11.88	13.49 (5/1/82)	7.89 (2/11/82)
2	Coupons	15 years	10.26	10.30	12.74	14.28 (5/1/82)	9.25 (11/11/82)
3		25 years	10.30	10.34	12.58	14.17 (12/1/82)	9.47 (2/11/82)
4	Medium	5 years	11.51	11.52	13.91	16.41 (12/1/82)	9.89 (11/11/82)
5	Coupons	15 years	11.15	11.19	13.76	16.10 (5/1/82)	10.32 (3/11/82)
6		25 years	10.71	10.75	13.28	15.46 (12/1/82)	10.01 (19/10/82)
7	High	5 years	11.54	11.56	13.84	16.30 (8/1/82)	9.96 (3/11/82)
8	Coupons	15 years	11.39	11.42	13.93	16.28 (5/1/82)	10.55 (2/11/82)
9		25 years	10.80	10.85	13.32	15.76 (12/1/82)	10.14 (2/11/82)
10	Irredeemables		10.12	10.16	12.29	13.64 (12/1/82)	9.31 (3/11/82)
11	Debs & Loans	5 years	12.39	12.43	14.59	17.07 (12/1/82)	11.11 (12/11/82)
12		15 years	12.38	12.43	14.58	16.85 (12/1/82)	11.35 (12/11/82)
13		25 years	12.38	12.43	14.58	16.72 (12/1/82)	11.49 (25/11/82)
14	Preference†		12.26	12.26	15.02	16.24 (11/1/82)	12.28 (18/3/83)

Equity section or group	Base date	Base value	Equity section or group	Base date	Base value
Other Industrial Materials	31/12/80	287.41	Other Financial	31/12/70	128.06
Other Consumer	31/12/80	238.14	Food Manufacturing	29/12/67	114.13
Health/Household Prods.	30/12/77	261.77	Food Retailing	29/12/67	114.13
Other Groups	31/12/74	63.75	Insurance Brokers	29/12/67	96.67
Overseas Traders	31/12/74	100.00	Mining Finance	29/12/67	100.00
Engineering Contractors	31/12/71	153.84	All Other	10/4/62	100.00
Mechanical Engineering	31/12/71	153.84	British Government	31/12/75	100.00
Office Equipment	16/1/70	162.74	Debs. & Loans	31/12/77	100.00
Industrial Group	31/12/70	128.20	Preference	31/12/77	76.72

† Flat yield. A new list of the constituents is available from the Publishers, The Financial Times, Bracken House, Cannon Street, London, EC4, price 15p, by post 28p.

EQUITIES

Issue price	Amount paid up	Latest Renunc. date	1982/3 High	1982/3 Low	Stock	Closing price	+ or −	Net Div.	Times Covered	Gross Yield	P.E. Ratio
140	F.P.	15/4	145	132	‡Airship Inds.	135	+1	—	—	—	—
112	F.P.	16/3	154	129	Assoc. British Ports	155	+1	b7.0	1.5	6.5	14.7
—	F.P.	—	100	98	All'tc M'trp'n U.S.0.10	98	......	Q8c	0.3	5.5	32.8
§74	F.P.	21/1	158	103	‡Canvermoor	137	......	b3.64	2.0	3.8	15.6
‖ ‖	F.P.	16/4	220	200	‡Grainger Trust	200	......	u3.8	2.5	2.7	19.1
§38	F.P.	8/4	112	82	‡HB Elect Comps 10p	100	+2	u1.12	3.2	1.6	22.5
§190	F.P.	4/3	388	306	‡Microgen	323	+3	b4.0	2.0	1.8	26.6
§155	F.P.	7/1	255	198	‡Munford & White	205	+2	b2.6	2.4	1.8	32.4
§93	F.P.	4/2	198	145	‡Resource Tech. 10p	185	+8	—	—	—	36.3
‖ ‖	F.P.	—	110	83	‡Sinclair (Wm.)	83	......	4.25	1.0	7.5	18.7
‖ ‖	F.P.	—	105	77	Do. Defd.	73	......	—	—	—	—
175	F.P.	25/3	303	253	Superdrug Stores 10p	270	−2	bd3.5	2.4	1.2	31.2
120	F.P.	—	125	95	‡Swindon Priv Hos £1	95	−3	—	—	—	—
§10	F.P.	11/3	29	22	‡Tele.Services Intl 10p	25½	......	b0.2	3.3	1.1	38.0
§78	F.P.	30/3	113	82	‡Utd. Packaging 10p	112	−1	b2.6	3.8	3.2	11.9
§150	F.P.	18/2	340	265	‡WightCollinsR-S10p	280	......	bd2.75	3.3	1.4	31.2
—	F.P.	3/3	83	30	Yorks & Lancs. W'rrnts	81	......	—	—	—	—

FIXED INTEREST STOCKS

Issue price £	Amount paid up	Latest Renunc. date	1982/3 High	1982/3 Low	Stock	Closing price	+ or −
99.431	£20	10/4	21⅞	12	Birmingham 11½% Red. 2012	16¾	+1
§100	£10	9/6	10¾	10¼	E. Worcestershire Water 7% Rd. Prf. 1990	10¾	+⅛
...	F.P.	31/3	224p	153p	Electro-Protective 7½ Cnv. Prf.	163p	−2
18	£25	30/6	25½	24¼	Hambros Inv. 6.17% 6tpd. Deb. 2018	25½	+¼
—	—	—	100⅛	99	Nationwide Bdg. Soc. 11¼% Bds. 18/5/84	100⅛	......
§97.174	£25	3/5	30⅛	22	Pearson (S) 13% Uns. Ln. 2007	29¾	+⅛
§100	£10	9/6	12	12	Sutton Dist. Water 7% Prof. 1988	12	......

"RIGHTS" OFFERS

Issue price	Amount paid up	Latest Renunc. date ●	Latest Renunc. date ■	1982/3 High	1982/3 Low	Stock	Closing price	+ or −
250	F.P.	25/2	25/4	348	273	AGB Research 10p	326	−5
73	Nil	18/4	18/5	21pm	17pm	‡Aidcom Int. 10p	20pm	−1
§140	F.P.	25/3	15/4	134	73	‡Airship Inds.	134	......
280	F.P.	25/3	25/4	402	225	Applied Computer	402	+12
11	Nil	—	10/4	2¾pm	¼pm	‡Berkeley & Hay Hill Invs 10p	¼pm	−¾
10	Nil	—	—	2¼pm	1½pm	Bluemel Bros.	2pm	[illegible]
[illegible]								

Renunciation date usually last day for dealing free of stamp duty. [illegible]

RECENT ISSUES

FINANCIAL TIMES STOCK INDICES

	Mar. 25	Mar. 24	Mar. 23	Mar. 22	Mar. 21	Mar. 18	Year ago
Government Secs.	80.65	80.52	79.98	80.45	80.02	80.74	[illegible]
Fixed Interest	82.75	82.30	82.05	82.48	82.65	82.90	[illegible]
Industrial Ord.	656.9	654.8	654.5	660.4	658.0	661.0	557.7
Gold Mines	537.9	550.7	549.3	559.6	585.6	581.9	[illegible]
Ord. Div. Yield	4.86	4.91	4.94	4.89	4.94	4.87	[illegible]
Earnings, Yld.% (full)	10.25	10.37	10.47	10.37	10.48	10.34	11.25
P/E Ratio (net) (*)	11.76	11.65	11.61	11.65	11.61	11.66	11.10
Total bargains	23,035	23,775	23,535	25,325	24,393	25,204	22,006
Equity turnover £m.	—	222.58	206.20	206.75	178.97	267.21	153.8
Equity bargains	—	19,395	18,574	19,774	21,406	24,077	[illegible]
Shares traded (ml)	—	142.2	128.7	128.1	120.1	176.5	119.4

10 am 656.4. 11 am 656.0. Noon 656.9. 1 pm 655.2.
2 pm 654.8. 3 pm 654.2.
Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Industrial 1/7/35.
Gold Mines 12/9/55. SE Activity 1974.
Latest Index 01-246 8026.
Nil = 11.01.
†Correction.

HIGHS AND LOWS

	1982/3 High	1982/3 Low	Since Compilat'n High	Since Compilat'n Low
Govt. Secs.	85.84 (3/11)	61.89 (5/1/82)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	87.00 (12/11)	52.70 (7/1/82)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	673.8 (15/3/83)	610.1 (5/1/82)	673.8 (15/3/83)	49.4 (26/6/40)
Gold Mines	734.7 (15/2/83)	181.2 (22/6)	734.7 (15/2/83)	43.5 (26/10/71)

S.E. ACTIVITY

	Mar. 24	Mar. 23
Daily		
Gilt Edged Bargains	102.9	165.3
Equities Bargains	186.7	120.3
Equities Value	449.9	416.0
5-day Avrge.		
Gilt Edged Bargains	200.7	208.4
Equities Bargains	135.6	135.1
Equities Value	467.3	437.9

LEADERS AND LAGGARDS

Percentage changes since December 31, 1982 based on Thursday, March 24, 1983.

Office Equipment	+29.30
Shipping and Transport	+24.14
Motors	+24.11
Newspapers, Publishing	+23.20
Metals and Metal Forming	+21.44
Banks	+20.17
Insurance Brokers	+18.97
Investment Trusts	+16.39
Financial Group	+16.10
Textiles	+15.26
Other Industrial Materials	+15.15
Other Groups	+15.14
Packaging and Paper	+14.04
Health and H'sehold Products	+13.92
Property	+12.91
Mechanical Engineering	+12.77
Other Consumer	+12.77
Overseas Traders	+12.04
Chemicals	+11.90
Insurance (Life)	+11.82
Insurance (Composite)	+11.54
Building Materials	+10.76
Leisure	+10.10
Merchant Banks	+ 2.57
Contracting, Construction	+ 8.08
All-Share Index	+ 7.58
Food Manufacturing	+ 7.41
Mining Finance	+ 7.27
Oils	+ 6.92
500 Share Index	+ 5.18
Industrial Group	+ 4.83
Capital Goods	+ 4.36
Consumer Group	+ 2.72
Discount Houses	+ 2.58
Engineering Contractors	+ 2.47
Tobaccos	+ 1.81
Gold Mines Index	− 1.04
Brewers and Distillers	− 1.73
Food Retailing	− 3.60
Electricals	− 5.17
Stores	− 6.44

OPTIONS

First Dealings	Last Dealings	Last Declaration	For Settlement
Mar 28	Apr 8	June 30	July 11
Apr 18	Apr 29	July 14	July 25
May 3	May 13	July 28	Aug 8

For rate indications see end of Share Information Service

Calls were arranged in Kenning Motor, Chloride, M. P. Kent, BSR, Bambers Stores, First National Finance, First Castle, Stewart Nairn, Currys, I. & J. Hyman, Hadland, Wellman Engineering, Rank Organisation, Polly Peck, Astra Industrial, BICC, Stylo and London and Liverpool. A put was taken out in Loraine, while doubles were struck in Mettoy, Saga and Marks and Spencer.

RISES AND FALLS

	Yesterday Rises	Yesterday Falls	Yesterday Same	On the week Rises	On the week Falls	On the week Same
British Funds	57	8	33	221	181	78
Corpns Dom & Foreign Bonds	21	5	54	80	78	234
Industrials	268	200	872	1,324	1,367	3,963
Financial & Props	156	63	307	655	456	1,495
Oils	25	17	68	133	101	318
Plantations	6	4	13	19	13	78
Mines	23	62	67	208	246	308
Others	89	27	46	377	147	283
Totals	634	386	1,453	3,017	2,589	6,749

NEW HIGHS AND LOWS FOR 1982/83

NEW HIGHS (165)

[illegible]

Centreway, Hyman (I. & J.), Consultants, Johnson Cleaners, Continental Group, Norcros, Davies & Newman, Pitney Bowes Ln., Fisons, Smiths Inds., Friedland Doggart, Walker & Homer, Glaxo

INSURANCE (4)
Britannic, Sedgwick, Equity & Law, Travelers

Utd. Wire, INDUSTRIALS (1), Rockware, PROPERTY (1), Penalos, TRUSTS (2), Leda Inv., NMC Investments, OIL & GAS (3), Am. Oil Fields, Edinburgh Secs., Cluff Oil

ACTIVE STOCKS

Above average activity was noted in the following stocks yesterday.

Stock	Closing price	Day's change	Stock	Closing price	Day's change
Automated Sec	474	+29	Harris Queensway	328	—
Bio-Isolates	265	+10	Johnson Cleaners	345	+18
Britoil	58	+ 3	Lex Services	221	− 1
De Beers Dfd	502	+ 7	London & L'pool	480	+ 2
Eucalyptus Pulp	230	−15	Meyer Int	139	+ 2
Glaxo	820	+80	Rank Org	148	+ 7

THURSDAY'S ACTIVE STOCKS

Based on bargains recorded in SE Official List

Stock	No. of changes	Thurs. close	Day's change	Stock	No. of changes	Thurs. close	Day's change
Lon & Liv Tst	26	478	− 2	Resource Tech	13	177	+21
Glaxo	20	740	+25	BAT Inds	12	655	− 5
Hadland	18	75	+13	Bio-Isolates	12	255	+20
Surmah Oil	14	150	+11	GEC	12	201	− 1
Hanson Tst	14	185	− 7	GUS 'A'	12	533	+ 5
Racal Elec	14	418	−17	ICI	12	400	+ 2
Shell Trans	14	446	+ 8	Plessey	12	535	+ 3

5-DAY ACTIVE STOCKS

Based on bargains over the five-day period ending Thursday

Stock	No. of changes	Thurs. close	Change on week	Stock	No. of changes	Thurs. close	Change on week
Lon & Liv Tst	153	478	+56	GEC	84	201	− 1
Bio-Isolates	137	255	+ 5	ICI	[illegible]	[illegible]	[illegible]
BAT Inds	96	665	+25	Mellins	[illegible]	[illegible]	[illegible]
Glaxo	95	740	+55	BICC	[illegible]	[illegible]	[illegible]
Plessey	94	535	−25	Exco Intl	[illegible]	[illegible]	[illegible]
Racal Elec	92	408	−45	GUS 'A'	[illegible]	[illegible]	[illegible]
Shell Trans	89	446xd	+10	NatWest Bk	[illegible]	[illegible]	[illegible]

هكذا الأصل

INSURANCE & OVERSEAS MANAGED FUNDS

London A'deen & Nthn. Mtl. Assur. Ltd.
129 Kingsway, London, WC2B 6NF. 01-404 0393

'Asset Builder'	63.0	66.3	----	—

London Indemnity & Gnl. Ins. Co. Ltd
18-20, The Forbury, Reading 583511.

Money Mngr Mar 15.	56.7	62.2	----	—
MM Flexible Mar 3	47.7	50.3	----	—
Fixed Interest Mar 1.	52.3	55.1	----	—

London Life Linked Assur. Ltd.
100, Temple St., Bristol, BS1 6EA. 0272-279179

Equity	210.0	216.2	----	—
Fixed Interest	153.8	154.5	----	—
Property	259.2	263.1	----	—
Deposit	138.3	138.9	----	—
Mixed	179.4	182.8	----	—
Indexed Stk.	113.5	113.8	----	—

London Life Managed Funds Ltd.

Equity (P.)	149.3	154.5	----	—
Fixed-Int. (P.)	155.1	156.2	----	—
Property (P.)	117.1	121.1	----	—
Deposit (P.)	115.7	115.7	----	—
Mixed (P.)	141.7	145.4	----	—
Indexed Stock (P.)	119.3	120.1	----	—

London & Manchester Gp.
Winslade Park, Exeter EX5 1DS. 0392 52155

Invest. Tst. Fd. Cap.	[illegible]	—	[illegible]	—
Invest. Tst. Fd. Acc.	[illegible]	—	[illegible]	*9.2
Property Fund Cap.	[illegible]	—	[illegible]	—
Property Fund Acc.	[illegible]	—	[illegible]	*3.4
Flexible Fund Cap.	[illegible]	—	[illegible]	—
Flexible Fund Acc.	[illegible]	—	[illegible]	*2.9
Fixed Int. Fd. Cap.	[illegible]	—	[illegible]	—
Fixed Int. Fd. Acc.	[illegible]	—	[illegible]	—
Gtd. Deposit Fd. Cap.	[illegible]	—	[illegible]	—
Gtd. Deposit Fd. Acc.	[illegible]	—	[illegible]	—
Equity Fund Cap.	[illegible]	—	[illegible]	—
Equity Fund Acc.	[illegible]	—	[illegible]	—
International Fd. Cap.	[illegible]	—	[illegible]	—
International Fd. Acc.	[illegible]	—	[illegible]	—
Capital Gwth. Fd.	[illegible]	—	[illegible]	—
Moneymaker Fund	138.4	—	+0.5	—
Exempt Inv Tst Cap.	375.0	—	+2.9	—
Exempt Inv Tst Acc.	379.3	—	+2.9	—
Exempt Inv Tst NS.	378.6	—	+2.9	*5.1
Exempt Ppty Cap	182.3	—	-0.2	—

Property Growth Assur. Co. Ltd.
Leon House, Croydon CR9 1LU. 01-680 0606

Property Fund		282.0	----	—
Property Fund (A)		274.8	----	—
Agricultural Fund		1052.7	----	—
Agric. Fund (A)		1026.8	----	—
Abbey Nat. Fund		223.2	----	—
Abbey Nat. Fd. (A)		222.4	----	—
Investment Fund		130.1	----	—
Investment Fund (A)		128.3	----	—
Equity Fund		386.9	----	—
Equity Fund (A)		380.7	----	—
Money Fund		207.7	+0.3	—
Money Fund (A)		204.2	+0.3	—
Actuarial Fund		201.0	----	—
Gilt-edged Fund		183.5	+0.4	—
Gilt-Edged Fd. (A)		183.3	+0.4	—
Retire Annuity		342.7	----	—
Immed. Annuity		194.0	----	—
International Fd.	240.1		—	----

Property Gth Pens & Annuities Ltd

All Wther Ac. Uts.	237.4	250.0	----	—
Inv. Fd. Uts.		266.8	----	—
Pension Fd. Uts.		258.8	----	—
Conv. Pens. Fd.		268.8	----	—
Cnv. Pns. Cap. Ut.		205.5	----	—
Man. Pens. Fd.		307.5	----	—
Man. Pens. Cap. Ut.		244.0	----	—
Prop. Pens. Fd.		267.6	----	—
Prop. Pens. Cap. Uts.		207.2	----	—
Bldg. Soc. Pen. Ut.		258.3	----	—
Bldg. Soc. Cap. Ut.		186.9	----	—
Gilts Pens. Fd.		159.4	+0.6	—
Gilts Pens. Fd. Cap.		142.2	+0.4	—
Equity Pens. Fd.		252.7	+1.8	—
Equity Pens. Fd. Cap.		208.0	+1.7	—

Providence Capital Life Assc. Co. Ltd.
30 Uxbridge Road, W12 8PG. 01-749 9111

Equity Acc.	96.5	101.8	----	—
Fixed Interest Acc.	88.3	93.2	----	—
Intnl. Acc.	77.1	81.4	----	—
Managed Acc.	86.8	91.5	----	—
Property Acc.	107.2	113.1	----	—
Money Acc.	71.7	75.7	----	—
Special Market Acc.	64.4	68.0	----	—
Japan Acc.	53.0	56.0	----	—
North America Acc.	71.6	75.6	----	—

OFFSHORE AND OVERSEAS

Standard Life Assurance Company

Sun Alliance Insurance Group

Sun Life of Canada (UK) Ltd.

Sun Life Unit Assurance Ltd.

Target Life Assurance Co. Ltd.

Transinternational Life Ins. Co. Ltd.

Trident Life Assurance Co. Ltd

Tyndall Assurance/Pensions

Vanbrugh Life Assurance Ltd.

Vanbrugh Pension Limited

Windsor Life Assur. Co. Ltd.

Barclays Unicorn International

Bishopsgate Commodity Ser. Ltd.

Bridge Management Ltd.

Britannia Intl. Investment Mngmt. Ltd.

Brown Shipley Tst. Co. (Jersey) Ltd.

Butterfield Management Co. Ltd.

Capital Asset Managers Ltd.

Capital International Fund S.A.

Charterhouse Japhet

Cornhill Ins. (Guernsey) Ltd.

DWS Deutsche Ges. F. Wertpapiersp

Delta Group

Deutscher Investment-Trust

Drexel Burnham Lambert

Dreyfus Intercontinental Inv. Fd.

Duncan Lawrie Inv. Mgt. Ltd.

Emson & Dudley Tst. Mgt. Jrsy. Ltd.

The English Association

Eurobond Holdings N.V.

Fidelity International

Fleming Japan Fund S.A.

Frankfurt Trust Investment-GmbH

Free World Fund Ltd.

G. T. Management (U.K.) Ltd.

Gartmore Fund Managers Ltd.

Hambros Fd. Mgrs. (C.I.) Ltd.

Henderson Admin. & Man. (Guernsey)

Hill Samuel & Co. (Guernsey) Ltd.

HK Fund Managers (Jersey) Ltd.

I.C. Trust Managers Ltd.

IGF Management Services Inc.

International Pacific Inv. Mgmt. Ltd.

Invicta Investment Management

Jardine Fleming & Co. Ltd.

Kleinwort Benson Group

Korea International Trust

Lazard Brothers & Co. (Jersey) Ltd.

Lloyds Bank (C.I.) U/T Mgrs.

Lloyds Bank International, Geneva

M & G Group

Manufacturers Hanover Asset Mgt

Midland Bank Tst. Corp. (Jersey) Ltd.

Murray, Johnstone (Inv. Adviser)

Nat. Westminster Jersey Fd. Mgrs. Ltd.

Negit S.A.

Newport International Management

Northgate Unit Tst. Mgrs. (Jersey) Ltd.

Pacific Basin Fund

Phoenix International

Providence Capital International Ltd.

Quest Fund Man. (Jersey) Ltd.

Richmond Life Ass. Ltd.

Rothschild Asset Management (C.I.)

Royal Bank of Canada Funds

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World Wide Growth Management

NOTES

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01-689 6717/9

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

[illegible]

Five to Fifteen Years

[illegible]

Over Fifteen Years

[illegible]

Undated

[illegible]

Index-Linked & Variable Rate

[illegible]

INT. BANK AND O'SEAS GOVT. STERLING ISSUES

[illegible]

CORPORATION LOANS

[illegible]

COMMONWEALTH AND AFRICAN LOANS

1982/83 High	Low	Stock	Price £	+ or –	Int.	Red. Yield
83¾	57	N.Z. 7½pc 1988-92	75½	......	9.81	11.98
93½	74¾	Do. 7¾pc '83-86	90½	......	8.48	11.85
167	136	S. Rhod. 2½pc Non-Ass.	162	......	—	—
80	58	Do. 3½pc 80-85 Assd.	77	+1	4.55	15.00
55	32	Do. 4½pc 87-92 Assd.	47	+1	7.54	15.98
402	318	Zimbabwe Ann (£100pa)	327xd	+2	—	19.19

LOANS

Public Board and Ind.

1982/83 High	Low	Stock	Price £	+ or –	Int.	Red. Yield
77½	57¾	Agric. Mt. 5pc '59-89	76	+½	6.58	10.56
38	24¾	Met. Wtr. 3pc 'B'	32	......	9.42	12.00

LOANS—Continued

Financial

[illegible]

Building Societies

[illegible]

FOREIGN BONDS & RAILS

[illegible]

AMERICANS

[illegible]

CANADIANS

[illegible]

BANKS, H.P. & LEASING

1982/83 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's	P/E
282	182	ANZ $A1	205	......	Q28c	3.1	7.8	4.1
315	205	Alexanders D. £1	283	–2	20.0	—	10.1	—
£91	£48	Algemene Fl.100	£90½	......	Q26%	◆	7.1	◆
118	73	Allied Irish	118	......	Q6.3%	4.0	8.8	3.6
164	77	Ansbacher (H.) 5p	95	......	3.5	—	5.3	—
290	200	Bk. Ireland £1	285	......	Q21.4%	—	9.4	—
3½	2	Bank Leumi	2½	......	—	—	—	—
*227	130	Bk. Leumi (UK) £1	165	......	10.15	—	8.8	—

BANKS—Continued

[illegible]

Hire Purchase, Leasing, etc.

[illegible]

BEERS, WINES AND SPIRITS

[illegible]

BUILDING INDUSTRY, TIMBER AND ROADS

[illegible]

CHEMICALS, PLASTICS

[illegible]

CHEMICALS, PLASTICS—Cont.

[illegible]

DRAPERY AND STORES

[illegible]

ELECTRICALS

[illegible]

ELECTRICALS—Continued

[illegible]

ENGINEERING MACHINE TOOLS

[illegible]

FOOD, GROCERIES, ETC.

[illegible]

FOOD, GROCERIES—Cont.

[illegible]

HOTELS AND CATERERS

[illegible]

INDUSTRIALS (Miscel.)

[illegible]

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تكرار الأصل

هكذا من الأصل

INDUSTRIALS—Continued

LEISURE—Continued

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Commercial Vehicles

Components

Garages and Distributors

NEWSPAPERS, PUBLISHERS

PAPER, PRINTING ADVERTISING

PROPERTY

INSURANCES

LEISURE

PROPERTY—Continued

SHIPPING

SHOES AND LEATHER

SOUTH AFRICANS

TEXTILES

TOBACCOS

TRUSTS, FINANCE, LAND

Investment Trusts

INVESTMENT TRUSTS—Cont.

Finance, Land, etc.

OIL AND GAS

OIL AND GAS—Continued

OVERSEAS TRADERS

PLANTATIONS

Rubbers, Palm Oil

Teas

MINES

Central Rand

Eastern Rand

Far West Rand

O.F.S.

Finance

Diamond and Platinum

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MINES—Continued

Central African

1982/83 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
300	75	Falcon Rh.50c	250	......	Q25c	10.3	6.4
33	16	Wankie Col. Z$1	19	......	†Q3c	1.2	9.9
28	12	Zam.Cpr.SBD0.24	20	......	—	—	—

Australians

1982/83 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
28½	10	♥ACM 20c	15	......	—	—	—
28	6	♥Argosy Gold NL 25c	6½	+½	♦—	—	—
25	11	Balmoral Resources	14	......	—	—	—
63	42	♥Black Hill Mins.	43	......	—	—	—
151	52	♥Bond Corp.	60	......	gQ10c	2.3	10.2
154	58	♥Bougainville 1 Kina	137	−1	Q3.42c	♦	2.1
273	147	♥CRA 50c	268	−2	Q3c	—	0.7
154	10	♥Carr Boyd 20c	78	+2	—	—	—
56	19	♥Central Pacific	20	......	—	—	—
380	152	♥Crusader Oil	230	......	—	—	—
26	7	♥Cultus Pac NL	8	−1	—	—	—
27	7	♥Eagle Corp 10c	10½	......	—	—	—
23	8½	♥Endeavour 20c	9½	......	—	—	—
810	120	♥GM Kalgoorlie 25c	510	−5	hQ10c	♦	1.1
244	134	Hampton Areas 10p	183	−5	¶3.75	2.8	3.1
32	10	♥Haoma NW	16	......	—	—	—
94	28	♥Hill Minerals N.L.	48	......	—	—	—
22	9	♥Intnl Mining	15	......	—	—	—
42	2	♥Kalbara Min 20c	39	−3	—	—	—
15½	5	♥Kezywest Expl	12	......	—	—	—
130	30	♥Kitchener NL 25c	54	......	—	—	—
190	92	♥Meekatharra 25c	100	−5	—	—	—
44	15	♥Metals Ex 50c	32	......	—	—	—
52	15	♥Metramar Mnc 20c	27	......	—	—	—
50	15	♥Mid East Mins A$1	20	......	—	—	—
279	143	♥MIM Hldgs 50c	246	......	Q5c	—	1.2
57	5	♥Mincorp 20c	8	+1	—	—	—
8	2½	♥Minefields Expl 25c	5	......	—	—	—
34	14	♥Newmetal 20c	28	......	—	—	—
177	77	♥North B Hill 50c	130	−2	gQ6c	1.3	2.7
484	10	Nth. Kalgurli	40	......	—	—	—
123	60	♥Oakbridge 50c	60	......	Q7c	1.7	6.8
98	34	♥Pacific Copper	48	......	—	—	—
150	64	♥Pancont'l 25c	88	+2	—	—	—
54	35	Paringa Mng & Expln 5p	54	+2	—	—	—
448	211	♥Peko-Wallsend 50c	338	−4	Q15c	—	0.3
51½	6	♥Pelsart Res NL	8	+1	—	—	—
273	112	♥Renison 50c	235	+5	‡Q5c	—	‡
210	105	♥Do Defd	210	+5	—	—	—
72	30	♥Seltrust A	62	......	♦—	—	—
27	7½	♥Southern Pacific	8	......	—	—	—
50	16	♥Swan Res 20c	38	......	—	—	—
24	2½	♥West Coast 25c	12	......	—	—	—
50	6	♥Western Cont. 50c	23	......	—	—	—
278	150	Westn. Mining 50c	242	......	‡Q2½c	♦	‡
93	11	♥Whim Creek 20c	58	−1	—	—	—
30	6	♥York Resources	13	+1	—	—	—

Tins

1982/83 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
255	135	Ayer Hitam $M1	225xd	......	‡Q95c	1.0	‡
150	55	Geevor	138	......	—	—	—
12	9½	Gold & Base 12½p	12	......	—	—	—
630	250	Gopeng Cons.	435	......	20.0	1.4	6.6
670	330	Hongkong	525	......	21.0	♦	5.7
24	13	Jantar 12½p	18	......	1.5	2.8	11.9
145	42	Kamunting $M0.50	145	......	†Q27½c	0.8	5.7
700	350	Killinghall $M1	675	......	vQ50c	♦	2.2
98	43	Malaysia Mng. 10c	92	+1	vQ17.1c	1.6	5.6
45	20	♥Pahang	41	+1	B‡0.63	0.8	‡
450	280	Pengkalen 10p	325	......	1.0	—	0.4
330	190	Petaling $M1	320	......	vQ60c	1.3	5.6
215	130	Sungei Besi $M1	215	......	‡vQ185c	0.6	‡
55	25	♥Supreme Corp M$1	45	......	vhQ3½c	♦	2.6
110	93	Tanjong 15p	102	......	g3.5	—	4.9
85	43	♥Tongkah H. Tin $NZ1	70	......	vQ5c	1.3	1.8
280	125	Tronoh $M1	280	......	†vQ50c	2.3	5.5

Miscellaneous

1982/83 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
170	141	Admiral Mines	155	......	—	—	—
90	20	♥Anglo-Dominion	55	......	—	—	—
125	25	♥Anglo Utd. Dev.	82	......	—	—	—
135	27	♥Colby Res Corp.	85	......	—	—	—
485	170	Cons. Murch. 10c.	435	−5	‡Q60c	1.9	‡
8	1½	‡‡Explaura Gold	4	......	—	—	—
155	55	♥Highwood Res	125	......	—	—	—
£20¼	£12½	Homestake Mining $1	£16⅞	−⅛	Q40c	—	1.7
495	160	Northgate C$1	388	−15	—	—	—
552	344	R.T.Z.	518	−2	16.0	1.6	4.4
£122	£84	Do 9½% Cnv.Ln '95-2000	£116	+2	Q9½%	23.9	†8.4
35	11	♥Sabina Inds C$1	27	......	—	—	—
17½	12½	‡Southwest Res 10p	12½	−1	—	—	—
530	270	♥Tara Expln $1	465	+10	—	—	—

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on "net" distribution basis, earnings per share being computed on profit after taxation and unrelieved ACT where applicable; bracketed figures indicate 10 per cent or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution; this compares gross dividend costs to profit after taxation, excluding exceptional profits/losses but including estimated extent of offsettable ACT. Yields are based on middle prices, are gross, adjusted to ACT of 30 per cent and allow for value of declared distribution and rights.

- ● "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents on application.
- ♦ Figures or report awaited.
- ♥ Not officially UK Listed; dealings permitted under Rule 163(4)(a).
- ✣ USM; not listed on Stock Exchange and company not subjected to same degree of regulation as listed securities.
- ‡‡ Dealt in under Rule 163(3).
- ¢ Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividend or forecast.
- ♦ Merger bid or reorganisation in progress.
- ♣ Not comparable.
- ♠ Same interim: reduced final and/or reduced earnings indicated.
- § Forecast dividend; cover on earnings updated by latest interim statement.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ★ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ▮ No par value.

B.Fr. Belgian Francs. Fr. French Francs. ¢¢ Yield based on assumption Treasury Bill Rate stays unchanged until maturity of stock. a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital, cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Subject to local tax. x Dividend cover in excess of 100 times. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Minimum tender price. F Dividend and yield based on prospectus or other official estimates for 1983-84. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1984. K Figures based on prospectus or other official estimates for 1982-83. M Dividend and yield based on prospectus or other official estimates for 1983. N Dividend and yield based on prospectus or other official estimates for 1982-83. P Figures based on prospectus or other official estimates for 1982. Q Gross. T Figures assumed. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

REGIONAL AND IRISH STOCKS

The following is a selection of regional and Irish stocks, the latter being quoted in Irish currency.

			IRISH		
Albany Inv. 20p	52	......	Exch. 15pc 1983	£99¼	......
Bertrams	17‡	......	Nat. 9¾% 84/89	£85⅝	......
Bdg'wtr. Est. 50p	530	+35	Fin 13% 97/02	£92½	......
Craig & Rose £1	£12	......	Alliance Gas	106	......
Finlay Pkg. 5p	37	......	Arnott	180	−3
Graig Ship. £1	£19	......	Carroll (P.J.)	95	......
Higsons Brew	105	......	Concrete Prods.	48	+1
Holt (Jos) 25p	900	......	Helton (Hldgs.)	13	......
I.O.M. Stm. £1	85	......	Irish Ropes	28	......
Pearce (C. H.)	£14	+½	Jacob	65	......
Peel Hldgs.	176	+2	T.M.G.	85	......
			Unidare	40	......

OPTIONS

3-month Call Rates

Industrials					
Allied-Lyons	15	House of Fraser	15	Utd. Drapery	7
BOC Grp	17	I.C.I.	24	Vickers	12
B.S.R.	6	"Imps"	10	Woolworth Hld.	15
Babcock	20	I.C.L.	8	**Property**	
Barclays Bank	35	Ladbroke	16	Brit. Land	7½
Beecham	35	Legal & Gen.	28	Cap. Counties	12
Blue Circle	44	Lex Service	16	Land Secs.	26
Boots	22	Lloyds Bank	35	MEPC	17
Bowaters	19	"Lofs"	4	Peachey	14
Brit. Aerospace	28	London Brick	11	Samuel Props.	18
B.A.T.	50	Lucas Inds.	12	Town & City	3
Brown (J.)	4	"Mams"	12	**Oils**	
Burton Ord.	24	Mrks. & Spncr	16	Brit. Petroleum	26
Cadburys	11	Midland Bank	50	Burmah Oil	12
Courtaulds	8	N.E.I.	9	Charterhall	5
Debenhams	8½	Nat. West. Bank	38	KCA	8
Distillers	20	P & O Dfd.	14	Premier	4
Dunlop	5½	Plessey	50	Shell	35
Eagle Star	30	Racal Elect.	45	Tricentrol	22
F.N.F.C.	4	R.H.M.	6	Ultramar	42
Gen. Accident	30	Rank Org. Ord.	15	**Mines**	
Gen. Electric	24	Reed Intnl.	26	Charter Cons.	28
Glaxo	45	Sears	9	Cons. Gold	40
Grand Met.	25	T.I.	13	Lonrho	8
G.U.S. 'A'	50	Tesco	8	Rio T. Zinc	42
Guardian	35	Thorn EMI	38		
G.K.N.	15	Trust Houses	13		
Hawker Sidd	30	Turner & Newall	4		
		Unilever	65		

A selection of Options traded is given on the London Stock Exchange Report page

"Recent Issues" and "Rights" Page 24

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £600 per annum for each security

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FINANCIAL TIMES

Saturday March 26 1983

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MAN IN THE NEWS

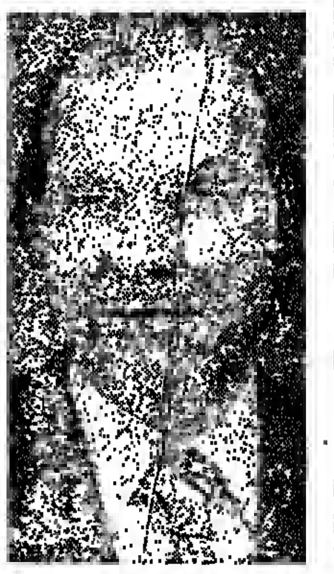
TUC's policy pilot

BY JOHN LLOYD

BUCKING the trend among AB males, David Lea took up smoking in the past year—in order, perhaps, to ensure that the rooms in which he made policy for a future Labour Government really were smoke filled.

Lea, the TUC's Assistant General Secretary and its senior economist has over the past two years or more thumped and shouted his way through the endless visions and revisions which make up "Partners in rebuilding Britain"—the TUC-Labour Party pact launched this week which is to underpin Labour's bid for office, when it gets the chance.

Together with Geoff Bish, the other joint secretary of the TUC-Labour Party Liaison committee and Labour's research director, Lea has guided the process through the narrow channels of Labour movement policymaking, ever watchful for always having regard for Wage Norm Rock. Both have shed



David Lea

the Shoals of Adventurism and much hair in that movement's service and both can expect the reward customarily reserved for faithful bureaucrats — the blame.

Both have the thick carapaces of cynicism which the job demands: but both, too, have the reserves of idealism and the instinct for power which are its other essential qualifications. Veterans of the 70s campaigns, they bear the scars but now know when to duck: their skills this time round were exercised not so much in drafting but in power broking between the centres of influence within the movement. "I think I can get to parts of the movement which other bureaucrats cannot reach," says Lea.

Lea is by far the more ebullient of the two, more prone to the rushes of blood to the head, with an appetite for brainstorming sessions where ideas tumble forth and clash against each other in promiscuous profusion. His blunders of enthusiasm are legend in Congress House — the most recent was his mistaking of the British Ambassador to Moscow for a British gas official, and his treating of the distinguished diplomat to a harangue on gas pricing—but any repercussions appear to bounce off his hide.

This *high energy* field approach to life and work serves him best in combative arenas, where he can hold his own before sceptical or hostile audiences by staying on *constant attack. The high octane* mixture of intellectual agility and physical clumsiness which can lead him to clinch an argument with his elbow in the soup is best directed against a *specific target: without it*, he sometimes seems in danger of banging himself to a standstill against brick walls.

He has been with the TUC since 1964, after taking an *economics* degree at Cambridge and serving a two and a half year spell at the Economist Intelligence Unit as a transport economist. Before going up for an interview with the *TUC's aloof general secretary*, George Woodcock, Len Murray, then head of the economics department, advised the young Lea: "When he asks you about politics, say you aren't interested." He *did*, and got the job.

Bish appears the more deliberate of the two: he readily admits that the central feature of the pact—the fusion of industrial democracy with planning — was Lea's initiative, taking most pleasure in the agreement by union leaders to a planning structure and planning powers which, in the early 70s, still had the smell of failure associated with George Brown's national plan. The two institutions, he says, are bound to tug different ways—"but *somehow we get out something* that makes sense in the end." Only a Labour Government will test whether or not it *does* make sense: the Lea-Bish partnership would be influential within such a Government.

Hanson faces Richard Shops buy-out plan

BY RAY MAUGHAN

MANAGEMENT of a key division of the UDS Group yesterday backed the consortium bid by Bassishaw Investments against the £260m rival offer from the drapery group from Hanson Trust, the diversified industrial holding company.

Five of Richard Shops executives said a management buy-out of the divisions' 27 womanswear outlets would be organised if Hanson gained control.

Five members of the Richard Shops board have contradicted the advice of the holding company directors, headed by Sir Robert Clark, who have consistently supported Hanson's terms, and advised shareholders to accept Bassishaw's 130p per share cash offer.

The five *Richard* Shops executives said that Bassishaw would "develop our trading performance and asset management".

They are concerned that Richard Shops should remain an independent womenswear retailer. They are urging UDS shareholders to vote against Hanson on the basis that such a deal would prepare the ground for an arrangement with Burton Group which would merge Richard Shops with Burton's Top Shop and Peter Robinson outlets.

Richard Shops, with the John Collier menswear chain, are seen by *both Burton and* Bassishaw as a vital part of UDS's recovery potential. However, the Richard Shops operating board claims that "a significant return to *profitability*" was *already* achieved in the second half of the year to January 1983 and asserts that "current trading performance is buoyant."

Mr Peter Mitchell, Richard Shops' finance director, Mr David Franks, the sales director, Mr Julian Howell-Jones, personnel, Mr Ivor Taylor, property and stores development, and Mr William Edmonson, the company secretary, believe that much has been achieved in terms of merchandising, store lay-out and cost control.

Burton and UDS have already negotiated a price of £78m for the Richard Shops and John Collier chains although it is understood that Hanson will attempt to secure better cash terms if it succeeds with an overall bid for UDS.

U.S. raises forecast on economic growth to 4.7%

BY ANATOLE KALETSKY IN WASHINGTON

THE Reagan administration has raised its official forecast of U.S. economic growth between the fourth quarters of 1982 and 1983 from 3.1 per cent to 4.7 per cent.

The new forecast came unexpectedly from Mr Martin Feldstein, chairman of the Council of Economic Advisers, two weeks before it was dua to be transmitted to Congress. It follows a bitter struggle between Mr Feldstein and President Reagan's other economic advisers, who had wanted an official forecast involving considerably higher growth figures, ranging up to 6.5 per cent.

The 4.7 per cent figure is in line with the current "consensus" of private economists' projections, but was strongly opposed by technical monetarists within the Administration who expect an even stronger economy after the rapid growth in money supply over the past six months.

The acceptance of Mr Feldstein's more moderate forecast may reduce pressure from the Administration on the Federal Reserve Board to tighten its monetary policy in the months ahead.

In recent weeks some Administration officials had begun to warn that over-expansion of the money supply could produce an over-heated economy and a surge in inflation towards the end of the year.

Mr Feldstein, on the other hand, has strongly supported the Fed's current policies and endorsed its view that the money supply figures are severely distorted and may be giving misleading signals.

He said that the forecast had been revised because it was now clear that the economic recovery began in December or January. When giving his original forecasts in February, Mr Feldstein had said he would "not be surprised" by growth of about 5 per cent if it turned out that the recovery had already begun.

The inflation rate forecast had been reduced from 5.6 per cent to 4.5 per cent, measured in terms of the gross national product deflator, partly as a result of the drop in oil prices, he said.

The overall effect of the new forecast would be to rednce the projected budget deficit for 1984 by about $10bn (£6.8bn). A $189bn deficit was projected in January. The unemployment rate would fall below 10 per cent by the end of the year, he predicted.

President Reagan said yesterday that the U.S. economy's recovery from recession would be threatened if Congress deviated from his blueprint for taxes and spending.

"The signs are clear an economic recovery is under way," he told a Press conference.

Reagan and Congress votes, Page 2

Trident in talks with Pleasurama

By Charles Batchelor

TWO OF Britain's largest casino groups, Pleasurama and Trident Television, have started discussions which could lead to a bid for Trident. The company was worth £48.6m at yesterday's share price level.

A merger would bring together Pleasurama's chain of 17 casinos in major provincial towns and Trident's five London casinos. One of the Trident units, the former Playboy Casino in Park Lane, is closed after Trident failed to obtain a gaming licence.

Trident's shares rose 4p to 101p on the Stock Exchange yesterday while Pleasurama fell 15p to 545p.

Trident said talks between the two companies about a full bid from Pleasurama started after Trident agreed to sell two of its casinos, in Portsmouth and Manchester, to Pleasurama for £375,000. This deal was completed in February.

Trident acquired its three London casinos, two of which had their gaming licences terminated, from the Playboy organisation in January 1982. It succeeded in obtaining a gaming licence for the Clermont but failed with the Park Lane casino.

Planning applications have been made for a change of use for the Park Lane building. The licence was refused on the grounds that there was not enough demand in the area

Trident previous owned Yorkshire Television and Tyne Tees Television but was forced to divest by the Independent Broadcasting Authority and now holds stakes of 30 and 25 per cent respectively.

Trident has other leisure interests, including Scarborough Zoo and Windsor Safari Park.

Pre-tax profit was nearly halved to £4.25m in the year ended September 30 1982 on turnover of £90m. A recovery is expected in the current year.

Pleasurama owned no London casinos until it bought Maxim's in March 1982, although it held stakes of 25 per cent in two clubs owned by the Mecca Group. It also runs amusement parks and bingo clubs and reported a 70 per cent rise in pre-tax profit to £9.51m on turnover of £22.3m in the year ended September 30.

Glaxo in Japanese joint venture

BY RAY DAFTER

GLAXO, the UK's largest pharmaceutical company, has established a joint venture with Sankyo, one of Japan's top drug companies, to spearhead a new sales drive in the Japanese market.

City analysts yesterday said the link was notable because it coincided with Glaxo's preparations to launch its Zantac anti-ulcer drug in Japan. Glaxo said that the new joint company, called Glaxo-Sankyo, would market the drug once it was approved by the Japanese authorities. A decision on the drug's acceptability is expected next year.

Glaxo-Sankyo is to sell its products in parallel with its existing marketing affiliate, Nippon Glaxo. Glaxo's arrangements with Nippon Glaxo and other Japanes companies have helped it to become a leading UK exporter to Japan.

The UK company will not disclose its Japanese sales figures. However, it is known that in the *year ended June 30, 1982, its* turnover in Asia was £146m, equal to some 22 per cent of its total worldwide turnover. Sales of drugs in Japan total £7.5bn a year. The world market is worth £50bn.

Glaxo said yesterday that Sanyo would be involved directly in the marketing of Zantac on behalf of Glaxo-Sankyo during the early phase of development. Eventually, however, it was intended that the joint venture would emerge as an independent marketing company.

The new company, with a capitalisation of 300m yen (£846,000), would market other drugs emerging from research. These are expected to include an oral version of the antibiotic drug Zinacef, said to be "under development."

Other UK companies, including Beecham and Fisons, have set up marketing links and subsidiaries in Japan, but City analysts said that Glaxo now had the strongest presence.

Mr Robin Gilbert, pharmaceutical industry analyst with stockbrokers James Capel, said: "This is an important deal which gives Glaxo a significant long-term tie-up in one of its most important markets."

Glaxo's vehicle for the joint venture is Shin Nihon Jitsugyo, an associate company of the UK drugs group. Glaxo and Shin Nihon jointly own Nippon Glaxo, which is to continue its marketing activities.

Judge orders Exxon to repay $895m

BY WILLIAM HALL AND PAUL TAYLOR IN NEW YORK

EXXON, THE world's largest oil company, yesterday was ordered by a U.S. Federal judge to the Government to pay back $895.5m (£613m) after he had ruled that the corporation had charged too much for crude from a Texas field.

Judge Thomas Flannery of the U.S. District Court ordered that the money should be paid into a holding account in the Treasury Department. From there it would be paid out to the governments of all 50 states.

The crude oil was produced in Exxon's 10,000-acre Hawkins field in Wood County, Texas. The judge ruled that Exxon improperly listed the crude as either "new" oil or oil exempt from price controls.

Until January 28, 1981, Exxon's U.S. petroleum operations were subject to U.S. Department of Energy pricing regulations.

Exxon, which reported net income of $4.185bn last year, did not respond immediately to the court finding.

However, the company revealed in its 1982 annual report, which was mailed to shareholders in the past few days, that "the Energy Department had issued notices of probable violation or filed lawsuits alleging that in various periods since September, 1973, Exxon priced certain crude oil, natural gas liquids and refined petroleum products in excess of levels permitted by DoE regulations."

Exxon said some of the regulations were "vagua and ambiguous and in many cases the Energy Department sought to apply them on a retroactive basis.

"Exxon has attempted in good faith to comply with these regulations, and believes it correctly applied them."

The report, which was prepared before yesterday's ruling, added: "The corporation continues to defend its position in these matters."

Exxon's share price slipped by 25 cents to $29¼ after the judge's ruling. Wall Street analysts said they were "staggered" by the size of the repayment ordered.

In similar cases, they said, payments had been "nominal."

Continued from Page 1

Yugoslavia

there will be a 1½ per cent facility fee.

These parts of the package will carry a maturity of six years, rather than the five years originally proposed by the banks. The $600m will be available exclusively for the National Bank.

The other part of the agreement calls for $1.8bn to $2bn of short-term debt to be rescheduled over two years at a rate of 1⅞ per cent over Libor or 1½ per cent over prime. The up-front fee will be ½ per cent.

The bank agreement was disclosed last night by Manufacturers Hanover Trust, the U.S. bank which has been chairing the 15-bank co-ordinating committee. The Yugoslav delegation was led by Mr Gavra Popovic, Assistant Finance Minister.

The bank said last night it expected formal approval from Belgrade on Tuesday. The 400 Western creditor banks also have to approve the deal.

In addition to the bank package, the total rescue scheme includes a drawing of some $600m from the IMF, $1.36bn from Western governments, $500m from BIS and $350m from the World Bank.

Continued from Page 1

Hong Kong

least efficient users of road space. Whether to charge goods vehicles as well, and at what rate, would be decided during the pilot stage.

The sensor system has been used in other transport applications, such as *communicating* information about track conditions to trains in motion. But this is the first time it will have been used in the manner planned by Hong Kong.

Transpotech is also developing a package for monitoring highway maintenance, which could have widespread application in developing countries.

French

Continued from Page 1

With the franc steady on the foreign exchanges, pinned to the ceiling of its new EMS fluctuation range against the D-Mark, interest rates on the Paris money markets fell slightly yesterday.

The Paris bourse gained strongly in advance of the announcement, with the narrowly-based index up around 2 per cent on hopes that the Government was moving towards a policy of boosting company profits.

The fresh twist of the screw, likely to promote widespread discontent among the unions, will reduce demand throughout the economy by the equivalent of about 2 per cent of gross *national product for a full year.*

It confirms with a vengeance the change of course towards restrictive economic policies first embarked upon with the previous franc devalnation last June.

Weather

UK TODAY

SUNNY intervals and wintry showers. Sleet inplaces.

S.E., E. and N.E. England, central and E. Scotland

Sunny intervals, wintry showers dying out. Max 7C (45F).

Rest of the country

Bright intervals at first. Isolated wintry showers dying out. General rain or sleet *later*. Max 8C (46F).

Outlook: Unsettled. Cold.

WORLDWIDE

		Y'day midday °C	°F			Y'day midday °C	°F
Ajaccio	C	14	57	Luxor	S	29	84
Algiers	C	14	57	Madeira		—	—
Amsdm.	F	8	43	Madrid	F	9	48
Athens	F	20	68	Majorca	R	4	39
Bahrain	F	13	55	Malaga	S	16	61
Beirut	S	17	63	Malta	C	21	70
Belfast	R	8	46	M'chstr.	R	5	41
Belgrd.	F	25	77	Melbne.	F	17	63
Berlin	C	6	43	Mx. C.†		—	—
Biarritz	F	8	46	Miami†	S	11	52
Bmghm.	R	4	39	Milan	R	5	48
Blackpl.	C	7	45	Montrl.†	S	−12	10
Bordx.	F	9	48	Moscow	C	9	48
Boulgn.	F	6	43	Munich	Sl	2	36
Bristol	R	5	41	Nairobi		—	—
Brussels	F	6	43	Naples	F	16	61
Budpst.	C	18	64	Nassau		—	—
Cairo	S	24	75	Nwcstl.	F	8	46
Cardiff	R	5	41	N Yorkt	S	−3	27
Cas'b'ca	F	16	61	Nice	F	15	59
Cape T.		—	—	Nicosia	S	18	64
Chicg†	F	−7	19	Oporto	F	12	54
Cologne	F	7	45	Oslo	Sn	1	34
Cpnhgn.	F	4	39	Paris	F	7	45
Corfu	S	20	68	Perth	S	28	82
Denvert	C	−1	30	Prague	Sn	0	32
Dublin	C	10	50	Rykjvk.	C	−3	27
Dbrvnk.	C	16	61	Rhodes	S	17	63
Ednbgh.	F	8	46	Rio J'ot		—	—
Faro	S	15	59	Rome	C	16	61
Florence	R	14	57	Salzbrg.	R	5	41
Frankft.	F	5	41	S'cisco†	S	9	48
Geneva	C	5	41	S. Mritz.		—	—
Gibrltr.	S	16	61	Singapr.	S	34	93
Glsg'w	F	8	46	S'tiago†		—	—
G'msey	F	7	45	Stckhm.	C	3	37
Helsinki	R	2	36	Strasbg.	C	6	43
H. Kong	R	17	63	Sydney	S	22	72
Innsbrk.	R	7	45	Tangier	S	14	57
Invrnss.	F	4	39	Tel Aviv		—	—
I.o.Man	C	8	46	Tenerife	C	19	66
Istanbul	C	16	61	Tokyo	C	9	48
Jersey	F	7	45	T'r'nto†	S	−15	5
Jo'burg				Tunis	F	19	66
L.Plms.	C	19	66	Valencia	F	13	55
Lisbon	S	14	57	Venice	C	13	55
Locarno	C	8	46	Vienna	C	13	55
London	R	5	41	Warsaw	R	8	46
L. Ang.†	S	10	50	Zurich	Sn	1	34
Luxmbg.	C	0	32				

C—Cloudy. F—Fair. R—Rain. S—Sunny. Sl—Sleet. Sn—Snow.
† Noon GMT temperatures.

THE LEX COLUMN

Britoil rides the currency waves

Even allowing for Britoil's determinedly conservative accounting the size of the overshoot on its forecast 5 month profits—£48m more than the £209m pre-tax contained in last year's *offer document*—says a great deal about current North Sea uncertainties. Volume was higher than expected in this period, and there was also a £13m gain from higher sterling revenues *as the pound fell* against the dollar.

Britoil's average sterling price came out at £19 a barrel in 1982, some £4 a barrel less than it is earning at the moment on the North Sea's poster price of $33.50. These weak currency benefits, however, could well prove ephemeral: the present roughly $1.46 exchange rate is probably discounting a further *fall in oil prices* to around $30.50; *and if it drops* further to $25, sterling would need to slip to around $1.30 to give Britoil the equivalent barrel income achieved last year—the sort of figure on which th ecompany is probably counting to keep within the financial parameters set out in the offer document.

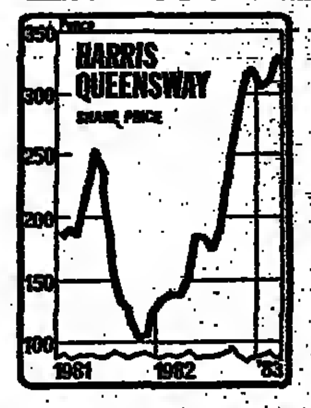
Since the flotation, the group has received an additional fillip from the new North Sea tax regulations. These will help immediately in offsets for its very heavy exploration budget, as well as on the lower revenue taxes on the planned Clyde field—although these benefits only come through later. So the objective of funding the next two year's $900m expenditure out of cash flow should not be over-ambitious: since August, indeed, Britoil has generated £100m of cash to bring a capital gearing rate of well over 100 per cent down to around 70 per cent. Even so, given Britoil's international ambitions, a rights issue may be necessary about two years from now, and with the £299m final call on the shares still overhanging the market, the historic multiple of around 8 is discounting any favourable news there may be.

Charter/Anderson

Anderson Strathclyde's long battle for Scottish independence came to an abrupt end yesterday as the Kuwait Investment Office dropped its 10.3 per cent shareholding into Charter Consolidated's ample lap. At Charter's 200p offer price, Anderson is being surrendered at what looks a modest multiple of around 13 times forecast fully-taxed earnings. But Charter will now, of course, be dealing with a very different animal following Anderson's recent acquisition of 51 per cent of *National Mine Service* of the U.S.

Given National Mine's fourth-quarter loss, and the current *depressed state* of the U.S. mining industry, the North American company is unlikely to do more than break even this year. This would leave Charter bearing all the funding cost of the £20m *borrowings* taken up for the investment, while Anderson itself is also facing a 10 to 15 per cent reduction in National Coal Board orders. The redneed Anderson profits should roughly match the cost to Charter of funding the acquisition in the current year.

Index rose 2.1 to 656.9



Datastream

Application lists for the Datastream tender offer open on Tuesday and it is already looking as if Lazards will be able to pitch the striking price some way clear of the 180p per share minimum.

Even at this level, Datastream would be selling on a multiple of 25 times prospective earnings, a *rating which* may not adequately discount the company's vulnerability to heavyweight competition in the information market and its potential loss of business if *negotiated commissions oblige* stockbrokers to cut back on overheads.

Yet the USM is still underlining the degree of popularity enjoyed by "technology" stocks and, like many USM companies, Datastream has the added bonus of scarcity. Only 15 per cent of the equity is being sold and that in a company which has no quoted counterpart. Lazards will probably draw the line at a level which secures perhaps 50 per cent oversubscription to guarantee a decent send-off and, as of last night, that level looked likely to be around 200p.

Harris Queensway

Successful retailers have a common aversion to accumulating even modest quantities of debt—witness J. Sainsbury's prompt recourse to sale and leaseback operations as soon as its balance-sheet showed a marginal net debt position. But, even against the yardstick of the retailing sector, yesterday's one-for-six rights issue from Harris Queensway was in a class of its own.

Over the past three years, the company has eliminated net borrowings of £25m and funded acquisitions totalling over £30m *entirely from its own cash flow*. After a calendar year in which profits have risen 56 per cent to £16.5m pre-tax, there is no *perceptible break in the momentum.*

Harris is not apparently planning a major acquisition and categorically denies that it has any intention of bidding for Waring and Gillow. Instead, the £24.5m net proceeds will be used to support a £55m programme of investment in freehold properties. Like Burton Group, Harris has established a successful retailing formula—reflected in *last year's net margin of 9.6 per* cent—and can afford to take full advantage of the weakness of many of its rivals. The news did nothing to dent the market's confidence in the shares, which finished the day unchanged at 328p and yielding 2.5 per cent.

House of Fraser

No-one would expect a report commissioned by the National Association of Pension Funds and prepared by a leading accountancy firm to exhibit the literary flair and panache of Mr Tiny Rowland or Professor Rowland Smith. But, by any standards, the Coopers & Lybrands study of the Harrods de-merger issue is an insipid and inconclusive contribution to the debate.

Coopers reminds the reader throughout the report of the limited scope of its brief but this then begs the question of why tha analysis was commissioned in the first place. The final conclusion—that the working party papers presented to the House of Fraser board dealt with the issues fully and fairly — is so hedged around with qualifications as to be almost redundant.

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